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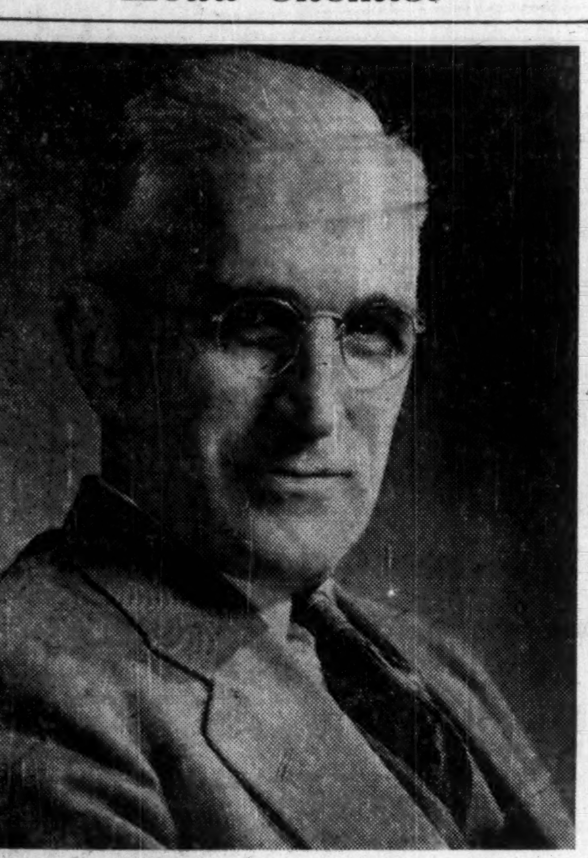
Head Chemist



Stanley A. Beatty, 52, Ontario-born biochemist and director since 1939 of Canada's Atlantic Fisheries experimental station at Halifax, this week assumed presidency of the 31-year-old Chemical Institute of Canada. The Institute has 3,800 members in industry, universities and government; has 28 local sections, 18 student chapters, 10 national subject divisions such as agriculture, engineering, metallurgy, etc. Dr. Beatty first a school teacher, then graduate of Queen's and McGill universities, has done outstanding work in his field.

THE NATION'S BUSINESS

Building Blood, Bone For National Growth

There is significant and highly satisfactory news in the special survey of the chemical industry published in this week's issue. This news is of importance to every Canadian because this is a basic industry and almost brand new. From it flow the vital raw materials to scores of other industries, thus stabilizing and strengthening our whole economy.

In the last ten years the chemical and allied industries have tripled their output, with present annual volume just a shade under $600 millions. And that is only part of the story.

At least a third of this volume is in products that were undeveloped and in some cases absolutely unknown only a decade ago.

Spectacular as has been the expansion of the last ten years, it will certainly be exceeded in the next ten. The industry is just getting its second wind after a tremendous spurt of postwar expansion, and is now on the eve of another burst of growth with almost every part of the country participating.

Logical Tariff-Making

Under such circumstances it was inevitable that the old tariff structure governing the major plastics end of the business should become antiquated. To remedy that, the Government turned the whole problem over to the Tariff Board: ordered a complete investigation and report. To acquaint itself with the facts, the Board, under chairmanship of veteran Hector B. McKinnon, visited every industry and phase of Canada's industrial life.

Following initial hearings, the Board prepared a new draft classification. This was submitted to the industry for study and comment. The classification contained no suggested rates of duty. But it did attempt for the first time to write a tariff schedule that would be both practical and sensible.

Thousands of words of detailed comment and criticism were returned by the industry to the Tariff Board. This has now been analyzed and set down in parallel columns. This week in Ottawa there began a full-dress debate on the whole question with experts on the side of both Government and industry freely exchanging views and opinions.

Out of this will come a completely new tariff schedule for the industry. It won't please everyone of course. But at least it will have been prepared with the best possible exchange of views and opinion, not only between the Tariff Board and the industry but also with the expert and competent officials in the Department of National Revenue who will have to administer the new tariff once it becomes law.

In a world where tariff and other trade barriers are ominously severe and complicated, this common sense approach to tariff-making is noteworthy and commendable.

* * *

What About This Resources Crisis?

Canada may have only 50 years of grace before we are faced with a full-fledged crisis in natural resources.

Averting or mitigating the crisis can be done only by an intelligent and extensive program of resources management, started now. At present we haven't even all the necessary information for such a program.

That, in brief, is the warning of Dr. H. L. Keenleyside, deputy minister of Resources and Development. But he didn't issue it as a deputy minister. He gave it as a political scientist, for the eyes of economists and political scientists, at the recent annual meeting of the Canadian Political Science Association.

Here's what he said:

"The world is faced with a rapidly rising demand for raw materials, a demand which cannot effectively be checked. The available supply of nonrenewable resources is diminishing at a rate that is steadily accelerating. In many cases our renewable resources are threatened with depletion at a rate faster than nature will replenish them.

"The result is a situation of growing tension. The fact that it is not likely to become critical during the present generation —except in particular cases — is no excuse for its neglect."

What to do? For one thing, there should be increased research and comment on the problem by Canadian economists. Research should be especially emphasized.

We do not even know accurately how much agricultural land there is in Canada. There are many years of work ahead before we can get a complete picture of the country's geology. There are many other gaps in our information.

We need the help of all branches of science. We need it to find substitutes for disappearing materials. We need it to find more efficient, less wasteful methods of utilizing what we have.

We need to start thinking about new policies. Some of them will not be popular.

For example, in the case of minerals, our most conspicuous nonrenewable resource, should governments conserve the supply and stave off the crisis by insisting upon the processing of low-grade ores? And should governments subsidize or otherwise compensate mines for such profitless work?

Dr. Keenleyside didn't attempt to supply the answers. But he outlined plenty of problems. By that alone, he performed an important national service.

The world's population is increasing at the rate of 25 million persons a year, 68,600 a day, 2,860 an hour. Demand, because of almost world-wide rising living standards, is increasing even faster than population.

Demand is usually the last thing the businessman thinks of as alarming. But in the light of what it may do to natural resources in the next half century, it can be not only alarming but positively frightening.

Grey Market Booms In U.S. Dollar Quota

Premiums of 30% Being Offered for Group "D" Dollar Allotments—Behind Feverish Demand is Relaxation of Import Controls July 1

After seeing grey markets in cars, steel, butter, shirts and other products, Canada was this week experiencing the strangest grey market of all — in United States dollar import quotas.

Demand was so great, anyone who had a Group "D" quota to sell could get as high as 30% premium.

The reason: On July 1 the following U. S. articles come off the prohibited list and go on quota.

Refrigerators
Washing machines
Clothes wringers
Outboard motors
Pleasure boats (not for inboards)
Radios and chassis
Show cases
Pianos and organs
Phonographs, gramophones

Importers are sure there is a hot market here for these items. None have been imported since emergency exchange controls were slapped on in 1947.

In the scramble to cash in on what they think is pent-up demand, they have bid up the premiums on Group "D" quotas from almost nothing six months ago to a record 30% today.

The mechanics of the market are simple. One way or another, sometimes by advertising, a man with a quota he no longer needs or which he wants to make a quick profit on, sells it to the highest bidder.

Not Transferable

However, he can't actually sell it: under government regulations, quotas are not transferable. Instead, he puts the deal through, then turns the goods over to the buyer and gets as high as 30% over his laid-down cost.

This, if anything, appears to be the main effect now or later, of the decision to relax import controls.

When the announcement was made three months ago, Canadian manufacturers were afraid there would be a tremendous flow of imports from the U. S. There was talk of layoffs, particularly in the refrigerator and washing-machine industries.

Since then, their fears have been dispelled to a large degree. Except in what are described as "freak cases," the volume isn't expected to be anything like as great as was first thought.

Operators who have bought up big blocks of quotas are put in the "freak class." There is nothing to stop anyone using every cent of his quota to bring in one type of product, say a hot-

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Plastics Maze is Problem As New Tariff Considered

OTTAWA (Staff)—Top brass of Canada's big plastics industry are here this week tackling the toughest job in Canadian tariff history.

What's afoot is an attempt to write a new tariff schedule for the tongue-twisting, ubiquitous plastics. This industry has grown so fast and furiously (see page 24) that present old-fashioned tariff schedules are hopelessly obsolete.

There are presently some 200 firms in Canada engaged in the plastics industry. Annual output is placed at about $45 millions. Now being attempted is a new, streamlined tariff that will meet present needs and provide for future growth.

Months of preparation have gone into this ambitious project. Last year, Tariff Board Chairman Hector B. McKinnon and his two commissioners, Vice-chairman F. J. Leduc and W. W. Buchanan, spent many weeks visiting every branch of the industry in Canada. Out of this, and other Board studies, came for the first time a new suggested draft tariff classification submitted first to the industry last March. This classification made no mention of rates of duty. But it did attempt, for the first time, a scientific and practical approach to what is without question one of the most complicated and far-reaching industries in the world today.

Industry Studies Proposal

After brief preliminary hearings last March, the Board adjourned to give firms and industries associated with plastics a chance to study and assimilate the suggested draft. Dozens of alternate suggestions and recommendations have been submitted. Finally, the Board submitted to the industry a few days ago a new 68-page document incorporating both the original suggestions and the itemized comments of the industry.

This week, formal hearings began on this amended document. In the Conference Room of the Confederation Block, 150 key executives and officials crowded round the Board to argue the all-important classification question.

First-day hearings lost no time in getting at fundamentals.

What arose here immediately this week was the question, posed by various firms and industries: "How can the new tariff provide for materials and products of a 'class or kind' made in Canada?"

How Many Divisions?

Many company officials argued that each of the proposed new classifications, covering, for example, synthetic resins, should provide "class or kind" divisions for each item. (The Tariff Board itself proposed nine new subdivisions for synthetic resins alone, while groups in the industry urged extending this to 19 or 20.)

What was argued at this week's hearing was that "this was asking the impossible."

It was pointed out that hundreds of considerations enter into the "class or kind" decision — type, value, size, capacity, and use, etc. Also noted was the fact that customs rulings and practice over the years has tended to distinguish between the words "class" and "kind." Although originally intended to be synonymous, the general custom is now to interpret "class" very broadly (for example: automobiles as a "class" are given very broad meaning and include all types, styles, price ranges of vehicles). But items of a "kind" made in Canada is now taken in a narrow

(Continued on page 3, col. 4)

Bigger Potential Market For Us In U. S. Defense

MONTREAL (Staff) — Over and above the $15 millions - $25 millions of direct U. S. defense purchases in Canada contemplated in the next year, Canadian manufacturers have a further potential arms market in the U. S., according to Maj.-Gen. G. B. Howard, general manager of the Canadian Industrial Preparedness Association.

In an address before the Radio Manufacturers Association of Canada, at Niagara Falls last week, General Howard pointed out that under the U. S. "Buy American" Act, Canada could legally provide 25% of the subcontracted components and materials for U. S. defense equipment.

The act provides that equipment manufactured for the U. S. must be made substantially from components, materials, etc. of U. S. origin. It has been ruled, he said, that "substantially" means not less than 75% U. S. content. That leaves 25% which could be made here.

It might pay Canadian manufacturers, especially those with U. S. associates, affiliates or connections, to look into this business, Gen. Howard suggested. Anything which can be done along these lines would acquaint the U. S. with Canadian capabilities, educate us as to what may be required in the future.

Pilot Orders First

What the U. S. armed services will want to buy here isn't known yet. How the purchases will be made may not be decided for a month or more. However, the methods should be such that they would be workable in an emergency when much larger scale operations will be necessary. It's to be hoped that U. S. purchases here will be in the nature of pilot orders which will give our manufacturers experience and "know how" to meet larger production schedules should they be required, he said.

He blamed Canadians in large measure for the fact that Canada's productive capacity and engineering ability have been neglected up till now in U. S. industrial mobilization planning. "We have been too modest and have not done a good selling job," he held.

As for United Kingdom needs, little is known other than that Canada and the U. S. are certain to have to supply a large part of the industrial capacity in the event of a third world war. The hope there is that standardization of weapons will have advanced far enough that industrial output here won't be disrupted.

PRICES

Gasoline went up in B. C. Prices are set by the provincial Coal and Petroleum Control Board which approved an increase of 1½c gal. including 1c to go to oil companies, ½c to wider dealer's spread. In Vancouver price is now 37c gal. regular, 39c gal. premium. Fourth increase in two years.

Chemical prices have sat relatively still through the long inflation show. One index shows them as rising less from 1939 to present than any other industrial products group. But several groups of chemicals are getting fidgetty right now. Chlorine and several heavy alkalis go up in price in the U. S. July 1; those imported to Canada—like caustic potash—go up here too. Chlorine, made in this country, won't go up just now, The Post understands. Benzol, one of most widely used raw materials, has gone up in, both Canada and U. S.; may go up again. Ethyl alcohol went up 4c gal. in U. S. but sells unchanged in Canada for 75c gal. on one standard grade. Canadian costs, supply conditions, are somewhat different in ethyl alcohol.

Crude natural rubber price has relaxed for a while. It stayed around 29c lb. (No. 1 ribbed smoked sheets) at New York for about a week. It has recently been up to 33¾c. Deliveries from South East Asia producers may be loosening up a bit. Indonesia has devised a new tax device to discourage rubber hoarding, at least some shift to synthetic has been made by manufacturers. Another South East Asian commodity, tin, has eased in price.

Cadmium went up 15c lb. to $2.15 lb. in the first change since the fall of 1948. (Prices are U. S. currency, basic price at New York). Rise is said owing to higher costs, including rise in cost of zinc ore from which cadmium is obtained. Demand is high for cadmium, which is used in plating, alloys, pigments, etc.

Stockpiling of strategic raw materials is among Trade Minister Howe's proposed administrative powers. This is of interest to purchasing agents since U. S. Government stockpiling of strategic materials—e.g., some nonferrous metals—has been a major factor in price rises in that country.

Monsanto (Can) Has $850,000 Plastic Program

Monsanto (Canada) Ltd., Montreal plastics manufacturing firm, has started on an $850,000 expansion and product diversification program, The Financial Post is informed.

Highlight will be installation of equipment to manufacture for the first time in Canada butylated melamine and urea resins. These resins are important components in the newer synthetic type of baked enamels being widely used today for automobile, stove, refrigerator, etc., finishes.

This marks another important step in raw material self-sufficiency in the fast-growing Canadian plastics industry. Prior to this these resins have all been imported from the U. S. Monsanto and Dow Chemical of Canada already meet the entire domestic requirements of polystyrene, one of the biggest volume items in the raw materials picture. At the moment neither the American or Canadian plants can keep up with demand for this product.

Here are the different steps in Monsanto's expansion program:

(1) A new sales office and warehouse in Toronto at 183 Front St.

(2) A new warehouse building at the Ville LaSalle in Quebec.

(3) Equipment installations for the manufacture of the Ultron brand of polyvinylchloride resin. A building at present on the property is being altered to accommodate the equipment.

(4) New equipment for manufacture of butylated melamine and butylated urea resins.

(5) New and enlarged equipment to go in an already existing building for the modernization of company's liquid phenolic and urea resin glues for the plywood and furniture industries.

The demand for the liquid phenolic and urea glues is said unusually good at the moment since the plywood industry is running at a very high rate and has good business booked for a number of months.

Money for the project has been secured by private sale of $850,000 of company's 4½% preferred stock to insurance and trust companies.

Will Lumber Shortage Cut Capital Investment Total?

OTTAWA (Staff) — Lumber supply and the final 1950 count of finished houses are looked on here as key factors in determining whether Canada will reach or exceed the forecast goal of a $2.3 billion capital investment program.

Original estimate of new housing expenditure in Canada for 1950 was $785 million. To date, new housing started this year is running at a much higher rate. But actual number of houses finished so far this year is running behind 1949 at this date.

Two factors are given as responsible:

1. The changing pattern of construction with increasing emphasis on all-year-round construction. First quarter comparison may not be a valid indicator from year to year.

2. The acute shortage of lumber and very high prices for what lumber is available.

Trend to Bigger Communities

One other point now emerging in the 1950 housing picture is the marked difference between what's happening in small communities and in the larger municipalities.

Figures for communities of 5,000 or over show currently that new houses started this year are running 12% above last year.

But comparable figures for all Canada (including smaller communities) show a gain of only 5½%.

This confirms the increasing concentration of the present building boom in larger communities. It has an important effect on any figures which purport to show the over-all pattern.

What's happening in lumber is of importance to all types of construction. But small builders tend to be most affected. For one thing, there was a smaller cut this year due to weather and other conditions. Now there is the unprecedented demand for Canadian lumber from United States.

Some builders and some potential customers holding back because of the spurt in prices. As well, some building plans have been definitely deferred because of tempting offers by U. S. buyers for good building lumber at prevailing Canadian prices.

How Long a U. S. Boom?

Just how far this is going is anyone's guess. But the view commonly expressed here is that the U. S. house-building boom has far from spent itself; that under existing U. S. legislation, it is considerably cheaper to build than to rent a house — especially for veterans. And this situation could be accelerated if the U. S. were to move nearer toward removal of rent controls.

Apart from the influence of housing on the 1950 Canadian investment boom, other new important factors are the unexpected tragedies which have hit communities like Winnipeg, Rimouski and Cabano. In total, these three disasters alone will add many millions to the over-all estimate of 1950 capital construction.

But definite information on the mid-year trend in new capital investment wont be available until a survey, now under way, is completed about mid-July. Meanwhile, the outstanding new factors are: housing and lumber shortage.

5-Year Contract May Cost G. M. $10 Millions

After nine weeks of negotiations and a final non-stop 22½-hour session, General Motors of Canada and the CIO Auto Workers came up with a five-year contract at midweek. In effect, it means in economic stability to G.M. in particular and Canada generally what the precedent-shattering United States contract reached by the parent company means in the U. S.

No estimate of the five-year cost was given but it is expected to run well over $10 millions.

Said G. M. President W. A. Wecker:

"This new five-year agreement breaks new ground in Canadian labor relations. We look forward to a period of five years without work interruptions which is bound to have a stabilizing influence not only on our own business but also on the two communities in which we operate. From the standpoint of the families of our employees, of our dealers and of our customers, the settlement should mean facing the future with all possible confidence."

Union Director George Burt felt much the same way:

"After 13 years of good labor relations between G.M. of Canada and the U.A.W.-C.I.O. It is not surprising that the Company and the Union have come to an agreement similar to that recently signed in the United States. (It) establishes a new pattern for labor relations in Canada and although the agreement is to run for five years it includes factors

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Ottawa Lining Up Plants for Defense

Preparedness Program Moves Big Step Forward—New Emergency Procurement Division to be Set Up—Firms Can Get Orders in U. S.

By KENNETH WILSON

OTTAWA (Staff) — Canada's defense preparedness program is about to move a big step forward on two fronts.

An Emergency Procurement Division will shortly be set up within the Canadian Commercial Corporation.

The objective: to allocate defense production to Canadian plants. Allocations are not orders. They involve no commitment by Ottawa to spend money now. But, in case of an emergency, they are understandings as to what firms make what, and involve an understanding by each firm as to precisely how it will make it, with what, etc.

Industry was also told last week that it was eligible for a huge chunk of United States defense orders in addition to the $15 millions-$25 millions U. S. Secretary of Defense Louis Johnston announced would be spent in Canada.

In Niagara Falls, Major-General G. B. Howard, general manager of the Canadian Industrial Preparedness Association, disclosed Canadian firms could legally bid for up to 25% of U. S. orders for subcontracted components and materials.

It was also learned that Major-General Howard may go to Ottawa shortly in a consulting capacity on the new Emergency Procurement Division being set up.

First step in this new development will be the naming of a new director and the setting up of this new division within CCC. This will probably be done within the next few days. Following this appointment, the new policy of allocations will be worked out and put into action. Initial allocations will be made during the summer on some items, it is expected.

Present thinking in Canada on this phase of defense procurement agrees completely with current trends in the United States.

Abandon Master Plan

In that country the original "master plan" approach has been abandoned. Instead, individual items are singled out for attention.

Starting from known requirements of these individual defense items, manufacturers are asked: "Can you make it?"

If the answer is "yes," then discussions proceed as to what would be a proper theoretical production schedule in the event of war.

As already stated, there is no commitment to purchase or produce the item at the present time. But there is an understanding that the Government would negotiate with the firm in question in the event of an emergency.

(It is emphasized here that creation of this division is in no sense because of high level fears that an emergency is in the making. Nor has it any connection with the recent passage through Parliament of the Defense Supplies Act).

Emergency procurement allocations have been pressed on the Government by the Canadian Industrial Preparedness Association and similar bodies ever since the close of the last war. There has been increasing impatience that Canada has taken no steps in this direction, especially since scores of Canadian subsidiaries of U.S. firms know exactly what allocations have been given to their parent firms in the United States.

Why Canada's Delay

Chief difference between the two countries (and the reason given here for the slower Canadian approach) is that the United States is largely master in its own house. Canada, on the contrary, would, in an emergency, be making at least 70% of her defense procurement items for use by other than her own services.

Hence, until the general pattern of co-operation and programming

(Continued on page 3, col. 1)

Inside News

Men of Miracles

How does chemistry affect your way of life—your business? What has the postwar expansion of the Canadian chemical industry meant to our economy? To farmers, miners, builders, homeowners? A Post report on the industry (pps. 19-29).

Salesman's Insurance

What's the recommended insurance program for a successful young salesman, married with good prospects? Read the second prize winner in recent Post contest for life insurance underwriters (p. 14).

Will They Make Mines?

The boom in Canada's junior gold stocks is continuing. Here's a list of the prospects that are going underground or soon to go (p. 35).

Your Store Turnover

How's business in your store? Compare your turnover with the average and see where you stand. Another in Post series analyzing retail business information (p. 17).

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New's Action May Get Action On Ontario Act

For a report on National Sewer Pipe's shareholders' battles, see page 7.

Refusal of Ryland H. New, president of National Sewer Pipe Co. to give a government-appointed auditor access to the company's books will likely result in an amendment to the Companies Information Act of Ontario.

"We plan to change the act at the next session to put some teeth into it," Provincial Secretary G. A. Welsh told The Financial Post.

However, the Government will take no further action regarding the present order for an audit of National Sewer Pipe's books. "We have issued an order and that is as far as we propose to go now," Mr. Welsh said. The Class A shareholders who had requested the order for audit have recourse now to the courts if they wish, he added.

The Post understands that Mr. New, on advice of counsel, is taking the position that the section under which the auditor was appointed cannot be enforced. New's representative says no notice was given of the application under which the order was granted. This is one of the grounds on which they object to the order.

Pace of Business

National Housing Act loans to homebuilders in latest month (May), at over $31.1 millions up 167% from year ago (3,898 loans on 4,614 dwellings); for five months, total is up $58 millions from 1949 period.

Housing completions in first quarter by DBS estimate 17,873 (including for first time Newfoundland 82) against 17,826 and 11,569 in 1949 and 1948 periods without Newfoundland. Under construction at March 31 were 50,161 against 46,886 and 37,529.

Department stores sales in week ended June 10 increased 6% over same week last year. Ontario, Manitoba and Alberta showed 10% increases, largest obtained; only Saskatchewan showed decrease, of 2%.

Foreign vehicles entering Canada on traveler's permits totaled 144,600 in May, 6% fewer than in May of 1949. This was the greatest decline percentagewise since April, 1947. Total for the first five months this year is up 13%

Carloadings in week ended June 10 set new high for this year, 80,017 cars, a rise of 936 cars over previous week, of 7,253 over same week a year ago.

Coal production in May totaled 1.4 million tons, 6.1% over same month last year. Imports were 3.2 million tons, drop of 4.1%, in preliminary figures.

First quarter farm cash income is estimated at $407.6 millions, decrease of 2% from first quarter of last year but 6% above first quarter of 1948.

Wholesale sales stood at 278.9 on DBS index for April, against 293.6 for March, 291.7 for April, 1949. (1935-39=100). Retail grocery chain store sales were 7.2% higher in April than same month of 1949; women's clothing store chain sales were 13.8% lower; shoe chains, 16.4% lower; drug chains, 4% lower; hardware chains, 4.1% lower.

Crude petroleum and natural gasoline production set an all-time monthly high in March, 13% above the last peak, reached in September, and 41% above last March. Output was 2.457 million bbls. Alberta produced 2.330 million bbls.

Total steel production in April was 279,300 tons, against 294,300 tons month before.

EATON'S

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Soft, smooth, feather-light straws from the skilled hands of natives of Ecuador . . . the cream of the weavers art from makers renowned the world over . . . in all the shapes, weaves, and colours you'll find most becoming . . . spiced with rich-looking solid shade or tropical puggaree bands. Choose yours now . . . at

EATON'S

THE ADVERTISING BUSINESS — By WALLACE GILLESPIE

An "Advertising Council" For Canada? Education, Welfare Groups Study Idea

Last week the Association of Canadian Advertisers brought the "Advertising Council" idea beyond the casual discussion stage in Canada. To a luncheon in Toronto it invited 75 key people representing not only the various branches of the advertising industry, but also church, education, health services, and welfare.

There, ACA president Lee Trenholm explained the proposal. It's for a nonprofit organization which would throw advertising's weight into the solution of national problems (forest conservation, school improvement, public health, etc.) and it has been suggested at various advertising conventions during the past year or so.

ACA's motive in calling the meeting, he explained, was not to advocate that a Canadian Advertising Council be formed along U. S. lines; but merely to advocate that the idea be studied.

George P. Ludlum of New York, vice-president of The Advertising Council, sketched in the American experience; how the Council was formed, projects undertaken so far, procedure followed in examining a project and in carrying it out if approved.

As a result of this and an hour's discussion which followed, representatives are reporting back to their organizations with a more complete idea of The Advertising Council than they have yet had. No one has been asked to make any commitment, financial or otherwise.

That's where the topic stands now. It hasn't "jelled" yet, but it's being explored.

Meanwhile, here's the background of The Advertising Council:

Safeguards for Projects

These safeguards were laid down: the project must be of national interest, nonpolitical, nonpartisan, and not designed to influence pending legislation.

Examples of projects actually undertaken in the U. S. include promotions on racial tolerance, mass X-rays for TB, highway safety, government savings bonds, Community Chest, improving the schools, attendance at church, conserving the forests, and how the free enterprise system works.

So far, the Advertising Council has not initiated projects. It sets up a machinery for dealing with requests made to the advertising industry. First step is submission to the Council's board of directors, drawn from advertisers, agencies, and all classes of media.

About 60% of the space and time given to Council projects is sponsored, and about 40% is donated by the various media. Some organization interested in the cause being promoted is expected to raise sufficient funds to cover actual production costs, though supervisory advertising talent is donated.

Another point: The Advertising Council is not interested in carrying out publicity campaigns in conjunction with advertising campaigns. Even with philanthropic appeals, they leave the editor alone (or at least leave it to the groups being assisted to contact him, if at all). In fact, lobbying of any type is taboo.

The question now is: How would such an organization fit, or be adapted to fit, the Canadian scene?

* * *

CASF Makes Plans To Unify Activities

At Canadian Advertising & Sales Federation's Toronto convention last week most of the two-day agenda was given over to exploring ways of co-ordinating and assisting the work of its 27 constituent ad-sales clubs which represent a coast-to-coast membership of 7,000. To put this function on a 12 months' basis, a seven-man panel was set up to which member-clubs can refer for advice on their activities.

Because these clubs draw membership horizontally across the advertising and selling fields—rather than vertically as in the case of media, advertiser, and agency groups—they act as a unifying force, explained retiring President William C. Stannard of Montreal.

Their activities, added Toronto's John Doherty, are often the means of demonstrating in Canadian towns and cities just how the free enterprise system works.

Newly formed clubs reported at the convention were those of Chatham, Belleville, Calgary and Quebec City.

Three awards were given for various club activities: to the Vancouver club for "club progress," in recognition of its film on the history of advertising; to the Kitchener-Waterloo club for "vocational guidance"; to the Winnipeg Women's Club for "attendance."

Newly elected CASF president is N. Roy Perry, research director of the Maclean-Hunter Publishing Co. Ltd. Regional vice-presidents are Russell C. Ronalds of Montreal, Miss Celia Long of Toronto, Clarke Simpkins of Vancouver, George Harris of Windsor, and Graeme Fraser of Ottawa. Secretary is Richards Canney of Toronto, and treasurer, Lockhart Johnson of Hamilton.

Advertising

Harold F. Stanfield Ltd. (Toronto) appointed by Schick (Canada) Ltd. to direct Canadian advertising of its electric razors. Fall color campaign, general circulation magazines, English and French.

* * *

Walsh Advertising Co. (Toronto) placed full-page color ad in week-end rotogravures to introduce new Harmony Sectional Ensembles for Snyder's Ltd., furniture manufacturers of Waterloo, Ont. Display cards, window banner, and dealer advertising mats provided to trade.

* * *

McKim Advertising Ltd.'s client, Chr. Hansen's of Canada Ltd., begins special summer campaign, alternating between 500 lines and 140 lines in metropolitan newspapers, for "Junket" Brand Sherbet and Freezing Mixes. To run through August, will alternate with Rennet Dessert campaigns in dailies.

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Gruneau Research Ltd.'s Toronto office has moved into new premises at 20 Bloor Street West. Phone: KIngsdale 3168.

* * *

Muter, Culiner, Frankfurter & Gould Ltd., Toronto, appointed to direct advertising for Wm. H. Leishman & Co., Toronto, subsidiary of Tip Top Tailors Ltd. Fall and winter plans said most ambitious in firm's history.

* * *

O'Brien Advertising Ltd. (Vancouver) places 10-month schedule of medium-space ads in extensive list of dailies and weeklies for Pacific Mills Ltd., Vancouver, to feature its "Milady" line of paper products — paper napkins, etc.

* * *

E. W. Reynolds Ltd. (Montreal) reports Montreal Suspender & Umbrella Ltd.'s appointment of L. M. Parker Ltd., Montreal, to handle sales, advertising, and distribution of Beaudry merchandise in Canada. Included are seep-proof baby pants, bibs, safety lap pad, crib mattress covers, pillow covers, beach balls, handy bags, air cushions, cosmetic cases, tennis racket covers, and Medi-Pad, a hot and cold compress for sick room uses. Advertising plans under way.

cool... casual... comfortable...

Lightweight loafer styled by Duchaine. Sizes 6 to 11. Pair, 9.50.

from Simpson's shoes for men

STREET FLOOR DEPT. 285

Montreal Interests Buy Out Gutta Percha Rubber Co.

A 67-year-old Canadian rubber manufacturing business changed hands last week.

Many a youth has started out in a junior clerk's position in a large company and dreamed of owning his own company some day. Some rise to positions of trust and authority in the company they started with, or with another company. But few actually sit down in a president's office thirty years later as virtual owner.

M. O. SIMPSON
President

That's the story of Melvin O. Simpson, though. Simpson is the new president and majority shareholder of Gutta Percha & Rubber Co., largest all-Canadian operators in the rubber field. Thirty-one years ago he began as a bookkeeper with U. S. Rubber Co. Last week he moved in as new president and owner, at Gutta Percha.

Quiet, retiring, 51-year-old Kansas-born Simpson was treasurer of the U. S. Rubber Co.'s Pacific Coast subsidiary when he left the U. S. to come to Canada as vice-president and treasurer of Dominion Rubber Co., U. S. Rubber's Canadian subsidiary. He left Dominion Rubber in 1945 to be president of Combined Enterprises Ltd., a holding company owning three different Canadian industries. He remained in rubber only as a director of Dominion Rubber.

J. ROSS BELTON
Vice-president and gen'l manager

Looks to Canadian Progress

"Rubber gets in your blood," he explained to The Financial Post as he recounted how he decided to go back into rubber manufacturing—with his own company. Considering himself a Canadian businessman now, he saw a growing economy ahead in Canada and realized the possibilities in production of rubber by Canadian capital, he told The Post. "I have great admiration for this country."

He and associates, who hold only a minority interest, bought all shares of Gutta Percha. Control was formerly held by members of the family of the late H. D. Warren.

The new Gutta Percha ownership is strictly Canadian, Simpson states with emphasis. Rumors had got around he was "a blind for American rubber interests," he said. He had cut his connection with Dominion Rubber, and Gutta Percha had no intercorporate connections. The stock is actually held by Combined Enterprises Holdings Ltd., separate company from Combined Enterprises Ltd., other holding company of which Simpson is president. How much was paid for Gutta Percha's Stock hasn't been disclosed. Money was borrowed to make the purchase but from Canadian sources, it's understood.

Keep Current Production

There are no plans current for expanding or changing Gutta Percha's production, Mr. Simpson said. He was just getting settled down, still familiarizing himself with details of his new company. Sales would expand at least in step with the growth of Canada, he expected. Though recent G. P. sales have not been published, "they were really surprising, I found when I studied them for the first time."

No public financing is contemplated at present.

Gutta Percha would not be going back into production of tires from which it withdrew last year after a trial, he said. "There just isn't money in tires for a small firm."

Gutta Percha specializes in mechanical rubber products, footwear and automotive accessories.

Simpson becomes a commuter. He will divide his time about 50-50 between Toronto, where Gutta Percha's head office is, and Montreal, where Combined Enterprises Ltd. is located. (Combined Enterprises Ltd. owns Stuart Brothers Co., makers of flavorings, etc., Snap Co., cleanser makers, and Conant Paint Ltd.)

Is General Manager

The retiring president of Gutta Percha started out in rubber about the same time as Simpson. He is J. Ross Belton, who remains as vice-president and general manager. He joined Gutta Percha as a factory apprentice in 1920 after graduating as an engineer. Taken in under an executive training scheme, he rose to be vice-president in 1946, president in 1947. He has been general manager since 1943.

Gutta Percha was originally a subsidiary of the American firm of the same name. However, in 1889 it was taken over by H. D. Warren, now deceased, and was in control of members of his family till sale to Simpson. Prior to sale, H. D. Warren was secretary and F. A. Warren, treasurer. Both are his sons.

Simpson becomes chairman of the board as well as president. Charles S. Band, former chairman of the board, remains as director. Other directors are H. C. Walker, Toronto lawyer, C. S. Richardson, Montreal lawyer, and M. O. Simpson, Jr., Simpson's 23-year-old son. J. M. Allison is secretary-treasurer.

Obituaries

Norval Tisdale Bowman, 77, Toronto, former advertising manager The Telegram.

J. H. Bradner, 69, Montreal, president Bradner Fur Co.

Harold G. Finlay, 55, Toronto, vice-president United Paper Mills Ltd.

John Ritchie MacNicol, 71, Toronto, Federal M.P. for Toronto-Davenport for 19 years until defeat in last general election, continent-wide traveler in interests of land conservation and irrigation.

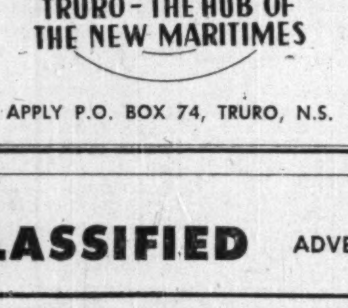
Hyman Bernard Seigel, 85, Toronto, founder and former president Canadian Paper & Specialty Co.

John Franklin Shatford, 83, Halifax, partner in onetime Shatford Bros., which established Eastern Oil Co., forerunner of first Imperial Oil Co. in Maritimes.

DO NOT READ THIS

unless

You represent a company interested in securing 10,000 square feet (or any part) of floor space suitable for storage or warehousing, bonded or otherwise, for distribution of products in the Maritime provinces. On rail siding, trucking facilities. To be made available shortly.



TRURO - THE HUB OF THE NEW MARITIMES

APPLY P.O. BOX 74, TRURO, N.S.

ANNOUNCING

Important Appointments in Canadian Industry, Finance, Business and Government

Advertising & Sales Club of Hamilton, Ont.—J. H. Slatter, president.

American Neurological Association—Dr. Wilder Penfield (Montreal), president.

Blue Top Brewing Co. (Kitchener, Ont.)—B. R. Lederman, asst. sales manager.

Canadian Army (Ottawa)—Brig. George Kitching, director-general Army personnel at headquarters.

Canadian Association for Adult Education—James Muir (Montreal), president.

Canadian Association of Building Owners & Managers—W. J. Gordon (Toronto), president; R. M. Harris (Vancouver), W. R. Abbott (Montreal), John A. Church (Toronto), vice-presidents.

Canadian Credit Men's Trust Association (Ontario division)—Ivan Melhuish (Toronto), president; Graham Goodings (Toronto), vice-president.

Canadian Electrical Association—G. H. Thompson (Montreal), president; T. Ingledow (Vancouver), F. L. Lawton (Montreal), C. I. Bacon (Cornwall, Ont.), vice-presidents.

Canadian General Electric Co. (Toronto)—Ian F. McRae, assistant to vice-president in charge manufacturing (and continuing manager Peterborough plant).

Canadian Johns-Manville Co. (Montreal)—Fred A. H. Gallop, Toronto sales district manager.

Canadian Pacific Railway Co. (Montreal)—G. H. Baillie, eastern region vice-president at Toronto; D. S. Thompson, prairie region vice-president at Winnipeg; William Manson, Pacific region vice-president at Vancouver.

Canadian Political Science Association—Dr. Clifford A. Curtis (Kingston, Ont.), president.

Canadian Wholesale Grocers' Association (Hamilton, Ont.)—J. M. Sinclair (Winnipeg), president; Michael Dwyer (Halifax), R. H. MacKendrick (Saint John), Lucien Pettigrew (Quebec City), W. J. Lumbers (Toronto), E. S. Cooper (Winnipeg), E. J. Jardine (Vancouver), E. Craniford (St. John's, Nfld.), A. Y. Cranston (Regina), vice-presidents.

Chemical Institute of Canada—Dr. S. A. Beatty (Halifax), president; Dr. H. G. Thode (Hamilton), vice-president.

Corporation of Professional Engineers of Quebec—J. A. Henderson (Montreal), president.

Dominion Fasteners Ltd. (Hamilton, Ont.)—Ronald D. Parkinson, sales & service engineer.

Dominion Magnesium Ltd. (Toronto)—H. D. Scully, a director.

Dunlop Tire & Rubber Goods Co. (Toronto)—Sidney Parkes, industrial rubber products division sales manager.

Edmonton Builders' Exchange—R. H. Rae, president.

Empire Life Insurance Co. (Kingston, Ont.)—Clive L. White, branch manager at Belleville, Ont., for Hastings & Prince Edward counties area.

J. J. Gibbons Ltd.—M. O. Johnston, account executive, Toronto office.

Gideons Society of Canada — George Abbott (Toronto), president.

Goderich Elevator & Transit Co. (Goderich, Ont.)—Charles S. Band (Toronto), president; G. L. Parsons, board chairman; D. B. Weldon, vice-president and continues executive committee chairman; R. G. Sanderson, a director, secretary-treasurer & manager.

Gutta Percha & Rubber Co. (Toronto)—M. O. Simpson, president.

Illuminating Engineering Society (Maritimes chapter)—Henry Lushington (Saint John), chairman.

Life Underwriters Association of Montreal—Irving Riddell, president.

Minnesota & Ontario Paper Co. (Minneapolis)—J. B. Faegre, president; C. T. McMurray, executive vice-president; K. F. Speelman, stores supervisor, International Falls, Minn., division; S. C. Stratton, assistant chief engineer, Int. Falls div.

Montreal Curb Market — R. M. Rainville, a member.

Ontario Mining Association — W. S. Rowe (Virginiatown), president; H. J. Fraser (Falconbridge), vice-president.

Ontario-Minnesota Pulp & Paper Co. (Minneapolis)—J. F. McKellar, a vice-president & general manager Fort Frances division; E. E. Crandall, resident manager, Kenora division.

National Grain Co. (Winnipeg)—R. E. Bean, assistant manager.

Perfex Controls Ltd. (Guelph, Ont.)—E. G. Spall, a director, president & general manager; Murray Bowman (Toronto), C. E. Lewia, V. R. Tate, H. J. Schroeder (Milwaukee), directors.

Personal Finance Co. of Canada (Toronto) — Elton Anderson, manager new branch Oshawa, Ont.

Radio Manufacturers' Association of Canada—R. A. Hackbusch (Toronto), president.

Regina Builders' Exchange — W. W. Yarnton, president.

Rotary International—Arthur Lagueux (Quebec City), president.

Stewart - Bowman - Macpherson Ltd. (Winnipeg)—R. E. Jefferson, account executive.

Sun Life Assurance Co. of Canada (Montreal) — George MacP. Crockett, secretary Halifax branch.

University of Toronto—Dr. William H. Watson, head of physics dept.

Victoria Daily Times — Stuart Keate, publisher.

Zellers May Build Soon Second Vancouver Store

From Our Own Correspondent

VANCOUVER — Zellers Ltd., which has owned a 75-foot frontage at 411-17 West Hastings Street since about 1943, is likely to build there this year. Present store at Granville and Dunsmuir Street will probably be continued.

"Our plans on Hastings Street are not finalized, but indications are that we will commence building later this year," says Walter P. Zeller, president.

Remodeling of the company's store is continuing in New Westminster, but there are no plans yet for a Victoria store where Zellers owns downtown land.

VILLBONA GOLD MINES reports that, on its southernmost claim, adjoining Newlund Mines, gold has been panned in samples taken from a porphyry dyke which "appears to line up with a gold showing reported on Newlund." The first drill hole has been spotted to test this discovery and drilling was to start early this week.

FOR SALE

SNETSINGER BLOCK CORNWALL

A three-storey commercial property comprising four stores and warehouse situated at the southwest corner of Pitt and First Streets, and having a frontage of 93' x 176'. Immediate possession of two stores and the warehouse, a total area of over 5,000 square feet. There is a lot at the rear, 56' x 93', suitable for a parking area.

Full particulars

THE ROYAL TRUST COMPANY

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HOMES—CITY & SUBURBAN
FARMS—COUNTRY ESTATES
SUMMER PROPERTIES

AD. 5661

24 HOUR SERVICE

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NORTH END OFFICE....MA. 4451
HEAD OFFICE.......320 BAY ST.
(Canada Permanent Bldg.)
TORONTO

TOWN OF RENFREW ONTARIO

TENDERS FOR DEBENTURES

Sealed Tenders will be received by the undersigned up to 5 p.m. (D.S.T.) June 27th, 1950, for the purchase of $260,000.00 Town of Renfrew 3¼% Debentures to be issued under authority of By-Law 1667. Debentures will be dated July 15th, 1950, and will mature 1951 to 1970. Issue is for a New Filtration Plant, Pumphouse and equipment of same, and has been approved by the Ontario Municipal Board. Last year only callable. Immediate acceptance will mean acceptance up to Twelve O'Clock midnight (D.S.T.) Tuesday, June 27th, 1950. Highest or any tender not necessarily accepted.

L. R. BARRAND,
Clerk-Treasurer,
TOWN OF RENFREW.

Renfrew, Ontario.
June 15th, 1950.

WANTED TO BUY

Serious businessman experienced in National merchandising and sales with good executive ability would be interested in investing into new process, method, product or business where a reasonable cash outlay might provide substantial profits. If warranted, an outright speculation would appeal. Up to $300,000 cash available, although a smaller proposition would be more desirable. Would also consider the purchase of all or part of any established business that would fit into the above development pattern. Reply in confidence.

BOX 238, THE FINANCIAL POST, TORONTO

WANTED

Advertiser desires to purchase the shares of a company incorporated in Great Britain and wholly owned by a Canadian individual or corporation. Replies treated confidentially.

BOX 241, THE FINANCIAL POST, TORONTO

CLASSIFIED ADVERTISEMENTS

Classified ads cost 8c per word and figure for each insertion. Minimum charge $2.00. Add six words when box number is required. When replies are to be mailed to advertiser add 15c. Classified ads payable in advance. Contract rates on application.

POSITIONS WANTED

MARITIME PROVINCES

YOUNG MAN seeks opportunity in Maritimes. 15 years accountant and executive in responsible positions. Excellent references. Hard working. Bondable. Presently employed. Small investment available if necessary. Replies confidential. Box 235, The Financial Post, Toronto.

WELL EDUCATED clerk-stenographer with secretarial experience desires position with opportunity for advancement. Conscientious, energetic, pleasing personality, accustomed to responsibility. Box 237, The Financial Post, Toronto.

DALHOUSIE UNIVERSITY LAW GRADUATE admitted 1948, two years practice Nova Scotia, single, veteran seeks position with legal firm, trust or industrial company in Canada where hard work will bring reward. Box 240, The Financial Post, Toronto.

FINANCIAL

Immediate Capital Gain — Bargain

PROSPECTOR needs grubstake. Will sell 155,925 vendor shares at 1½c a share in Orbit Uranium Developments Limited. This company, well financed, has started diamond drilling on pitchblende veins this month. Holds 25 square mile concession in the Goldfields Athabaska camp. Is surrounded by largest uranium exploration operations on record. For details call: PLaza 4261, Toronto.

BUSINESS PERSONALS

TELEPHONE ADDRESS SERVICE

Mail Address and Telephone Answering Service only 58c a day. Convenient downtown location from which your representative can operate as effectively as if maintaining own office. 24 hour telephone secretarial service!

TELEPHONE ANSWERING SERVICE LTD.
630 Dorchester St. W., Montreal, MA: 9491
20 Bloor St. W., Toronto, PR: 4471

BUSINESS OPPORTUNITIES WANTED

INTERESTED BUY Montreal area sound business or active partnership yielding minimum $8000 salary. Give brief outline first letter. Box 233, Postal Station B, Montreal 2.

REAL ESTATE

Modern Office Space Available

APPROXIMATELY 5000 square feet of modern office space will be available in Guelph this fall in new office building. All modern facilities provided. Will finish interior to suit occupant on long term lease. Box 229, The Financial Post, Toronto.

FOR SALE

CLEARANCE 500 TYPEWRITERS

ALL STANDARD MODELS including Underwood, Remington, Smith, Royal. Regular price up to $275.00 each: To clear $39.50 each — later models $49.50 each. Excellent Condition. Money-back guarantee. We ship C.O.D. Write Capitol Equipment Co., 2098 St. Catherine St. W., Montreal 25, Que.

★ We have for sale at a reasonable price a set of blue prints comprising the design and detail drawings of

GYPSUM PLASTER MILL MACHINERY

(RECENTLY ERECTED) AND

GYPSUM WALLBOARD MACHINERY

These incorporate all the developments in Great Britain and American Continent based on 20 years of world wide experience.
Many innovations in our design could readily be used to advantage in existing plants.
If you propose to start a gypsum plant, you can save many thousands of dollars and many months of time by having most of your plant made locally. Technical advice on operation and production is also available from our Engineering Staff.
Further particulars will gladly be sent upon request.

UNITON LIMITED, 25 Coptic Street, New Oxford Street, London, W.C.1
PLASTER MILL AND GYPSUM WALLBOARD MACHINERY ENGINEERS

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Ottawa Listing Defense Plants

(Continued from page 1)

was clarified, it has been argued that it would be waste of time, effort and money for Canada to rush into allocations that would have little real meaning.

This is apart from definite programs for shipbuilding and plane development, both of which have been actively developed and sponsored since the war, in individual Canadian factories.

New factors which have served to bring the allocations picture into clearer focus and to warrant the setting up of a new procurement division include the following:

1. Decision of the Atlantic Treaty countries to plan their defenses on the new revolutionary basis of "balanced collective forces."

2. Decision of U. S. Secretary of Defense Louis Johnston to prepare plans for $15 to $25 million of procurement in Canada in the fiscal year starting July 1, 1950.

3. Naming of new, permanent chairmen to the two key agencies at Washington which are concerned with reciprocal Canada-U. S. defense procurement—the Munitions Board and the National Security Resources Board.

What's Ahead for Industry

What appears now to lie ahead for Canadian industry in the field of defense purchasing are four distinct types of procurement or allocation:

1. Increasing demand for equipment, supplies, etc., for Canada's own defense services with increased specialization between Canada-U. S. and stepping up of demand for expensive new "defense" weapons.

2. Private orders from U. S. firms which now feel freer to subcontract business in Canada, following the Johnston declaration of policy.

3. Some direct business from the U. S. Government in 1950-51. This may initially be for Arctic-type equipment, chemicals, etc.—items on which Canadian research and development have especially concentrated.

4. Allocation of existing Canadian facilities in line with plant surveys already undertaken by the Canadian Industrial Preparedness Association.

How CCC Will Work

In the Commons last week during discussion of the new Defense Supplies Act, Trade Minister Howe disclosed that in 1949, the Government's central civilian defense purchasing agency (CCC) had placed 84,632 separate contracts valued at $197.4 millions. As well, there were 19,561 amendments to contracts resulting in additional expenditure of $24 millions in 1949.

New Depreciation Tax Regulations Are Announced

OTTAWA (Staff)—New depreciation regulations have been announced by the Income Tax Department to meet objections of corporations. Under the new rules, corporations can now claim maximum depreciation rates, provided the amounts so claimed are shown in their books and financial statements.

Strong representations were made earlier by business and professional groups against the original regulations which left a wide gulf between possible maximum rates and the amounts shown on the companies' books under normal accounting methods.

Some minor changes in rates have also been announced in the new amendments.

JOHNSON & HIGGINS APPOINTMENT

DOUGLAS K. JAMIESON

Johnson & Higgins (Canada) Limited, Insurance Brokers, have announced the appointment of Douglas K. Jamieson as an Account Executive of their Montreal office. Mr. Jamieson was formerly with the Royal-Liverpool Insurance Group, and more recently with Lukis, Stewart & Co. Limited, Insurance Brokers. *

Grey Market In $ Quotas

(Continued from page 1)

selling refrigerator or washing machine.

Importers are looking for isolated cases such as this.

Net Result Negligible

However, the big buyers of U. S. goods say the net result as far as they are concerned will be "negligible."

It was pointed out that altogether, if every cent of the new dollar quota is used, it will only mean $3 millions of imports between July 1 and the end of the year.

This represents 50% of a half year's quota of the 1946-47 base period. In that period, value of all the imports affected by the new order was something between $12-$15 millions.

This means these articles can now be imported at the rate of about $6-$7 millions a year.

Said an official of one large electrical appliance firm: "It isn't half as bad as it looked at first. Take refrigerators, the most that can be shipped in this year is about 2,500.

"We doubt if anything close to that will be brought in. In the first place, they couldn't compete price-wise unless they were the more popular brands and we have a franchise arrangement which stops that," he said.

However, many smaller traders are "acutely unhappy," said an official of a retail organization. Most of them have plenty of Group "B" quota (soft goods such as textiles) but little or nothing in "D."

A year or so ago, it was the other way round. All the demand was for Group "B" quota to buy U. S. textiles. Premiums on the grey market shot up to 20%; Group "D" was almost a drug on the market.

Today the situation is reversed but the regulations prevent the transfer of "B" quotas to "D" or any other group.

This is one of the basic beefs. They say it is all right to use quotas as a fiscal control but argue they should not be used to restrict type of product.

They complain, too, that using 1946-47 as a base period is unfair in view of the changed market conditions.

However, in cases where real hardship can be proved, Ottawa is handing out extra quotas. In some cases, traders who had imported nothing in the base period, are getting allotments.

An official of the Canadian Importers and Traders Association also felt the effect would not be as great as first expected. To him it looked as if the chief objective was to encourage imports from sterling areas, for while the items go on quota if imported from hard-currency areas, all restrictions are off imports from soft-currency countries.

Plastics Maze On Tariffs

(Continued from page 1)

sense and to mean only those which are "identical."

Sharp differences in view were also represented at the meeting on this point.

Don Brown, speaking on behalf of the Canadian Manufacturers' Association, urged a "broad" interpretation on these grounds:

(a) that a narrow application of "class or kind" divisions would be difficult if not impossible from an administrative point of view;

(b) that a broad interpretation was necessary to encourage maximum Canadian production.

Mr. Brown suggested that if there was to be any such division it should be made by dropping the narrow phrase "kind," and classifying resins, only on the broad basis of a general "class."

Effect on "User" Groups

This view was sharply challenged by a representative of the abrasives industry which is a "user" of synthetic resins, not a manufacturer. It was urged that if a "broad" interpretation were given on the basis of class of resins made in Canada, this would prove very costly and injurious to user groups.

Items which might be broadly classified as of a class made in Canada would, it was contended, prove on careful, qualitative analysis to be not made in Canada at all. And such analysis would be most difficult for the customs department to make; could probably only be made in the laboratory of the particular user.

Departmental officials of National Revenue testified that they literally "shuddered" whenever called on to make decisions as to what type of plastics (even under the relatively simple tariff rules presently in force) were, in fact, of a "class or kind made in Canada." It was suggested that if all items in the new tariff were to be opened up between the two proposed divisions (goods either made or not made in Canada) it might mean that every individual sample and shipment would have to be examined.

It was admitted that in the past this matter has been highly contentious and a great source of trouble to National Revenue officials charged with administering the law.

"We haven't been able to satisfy either the importer or the manufacturer, because, in the case of items like synthetic resins, the end uses overlap. Some resins are clearly not made in Canada, yet they compete with types already made in Canada for some purposes," said the official.

Quipped Chairman McKinnon early in the hearings: "What's done on this point is fundamental to the whole approach. We want to make it as simple as possible. But there's no easy way. Most of these synthetics are in a state of flux of some kind."

20 New Items

In the new proposed classification submitted to the industry by the Tariff Board there are some 20 new tariff items. On the first of these items alone, three national or international associations and 19 firms or groups of firms, submitted suggestions or comment. For the entire classifications it takes 68 mimeographed sheets of foolscap to list the items and comment. This includes some two dozen new suggestions for further changes by individual firms. Contributing organizations include the SPI (Society of the Plastics Industry [Canada] Inc.), the British Plastics Federation, and the Canadian Paint, Varnish and Lacquer Association.

Chief contention of the SPI is that "the Canadian market offers the plastics industry its greatest and most dependable opportunity for development" and that "comprehensive tariff schedules on plastics would provide a long step towards eliminating unfair competition that would not be tolerated in other countries but which is made possible in Canada today through a confused interpretation of tariff."

5-Year Contract For G.M.-Labor

(Continued from page 1)

guaranteed to safeguard the welfare of the workers automatically each year . . ."

Major Provisions

Major provisions of the new agreement are:

(1) Continuation without change of the cost-of-living formula, established in the 1948 agreement, under which wages are reviewed quarterly and adjusted in line with changes in the cost of living index of the Dominion Bureau of Statistics.

(2) An annual improvement factor of 3c per hour to be added to wages starting June this year and 3c additional annually for the life of the agreement (4c in the U. S.). This reflects recognition by the UAW-CIO and General Motors of Canada that higher living standards depend upon technological advancements and the co-operative attitude of employees.

(3) A sound, funded, non-contributory pension plan providing for a pension of $55 per month for workers with 30 years service at age 65. Proportionately lower pensions will be paid workers with less than 30 years service. Specific disability cases are also included under the pension provisions.

(4) Increased life insurance and sickness and accident benefits under the G. M. Group Insurance Program at no additional cost to employees. Also, General Motors will now share the cost of hospitalization and surgical coverage for the employee and will also extend these benefits to members of his family.

(5) Progressive reduction in the hours of work until the regular work week reaches 40 hours per week in 1955. The present work week is 44 hours.

(6) Three weeks vacation for employees with 15 years service or more.

(7) A five-cent increase for non-productive workers.

(8) Some adjustment in rates between Oshawa and Windsor.

COMPANY REPORTS

NEW YORK LIFE INSURANCE CO. in its 105th report, for the year ended Dec. 31, 1949, shows over 3.8 million policies in force, for a total of $9.9 billions of life insurance, an increase of 84,797 policies and $430.7 millions of insurance over 1948. New insurance sold was $852.3 millions, the third consecutive year new sales have been over $850 millions. In 1949, the company paid over $220 millions to policyholders and beneficiaries.

Canadian business in force on Dec. 31 was over $136 millions and new insurance written $9.7 millions, both figures being net. Total assets in Canada were over $72 millions.

Look For It Here

June 24, 1950

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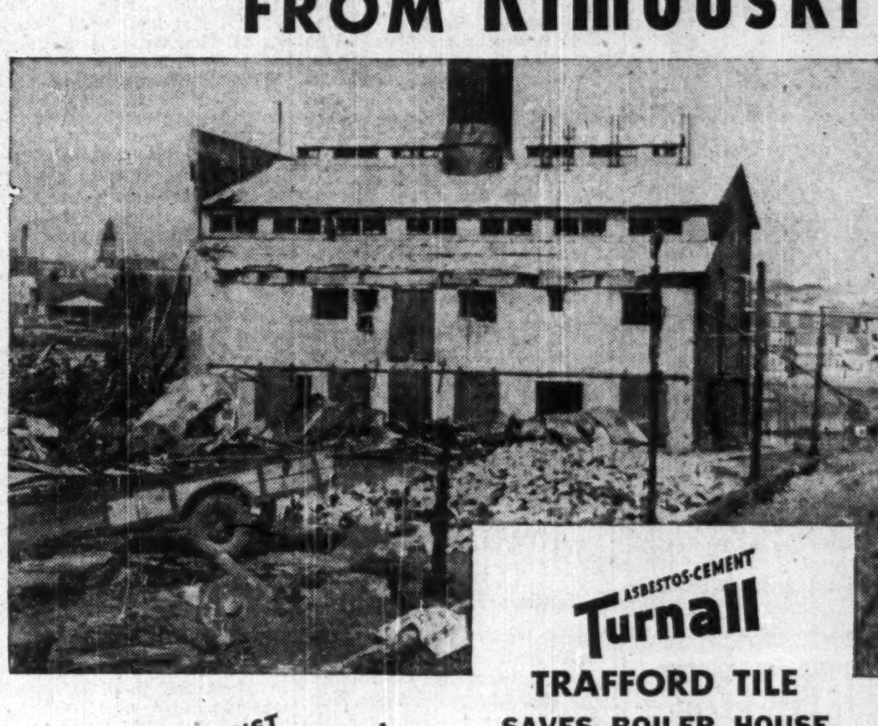
Little Long Lac	23		

THE PROOF FROM Rimouski



ASBESTOS-CEMENT Turnall

TRAFFORD TILE SAVES BOILER HOUSE

This boiler house is located at the source of the disastrous Rimouski fire. The asbestos-cement Trafford Tile Roof, with the Sprayed "Limpet" asbestos undersurface, was the fire barrier which saved it from complete destruction and protected the boilers which are still intact. The heat was so intense that the steel supporting structure of the roof collapsed under the eaves.

Throughout Rimouski there is proof abounding that dwellings constructed of asbestos-cement materials are standing, and are still occupied, on streets where all other houses have been burned to the ground. They stand out as beacons in the midst of desolation.

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CORRUGATED (4" Pitch)
FLATBOARD
SIDING SHINGLES

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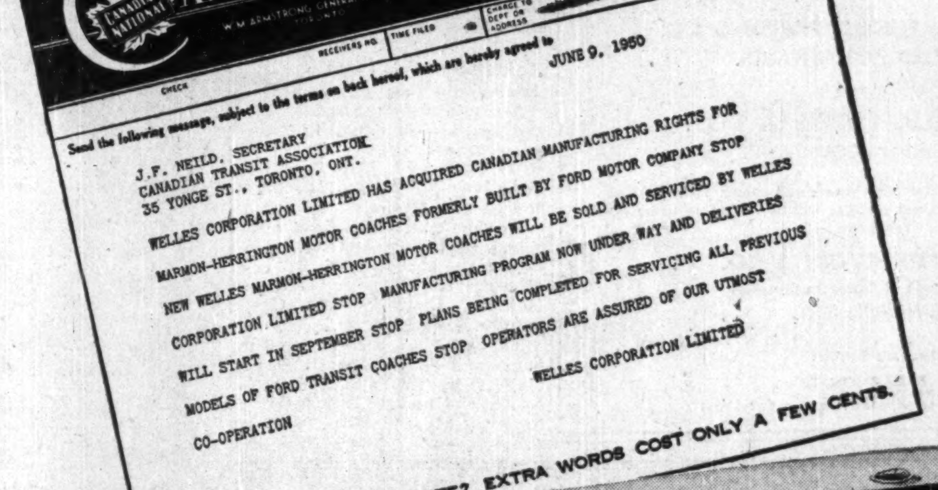

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W. M. ARMSTRONG, GENERAL MANAGER, TORONTO
Send the following message, subject to the terms on back hereof, which are hereby agreed to
JUNE 9, 1950
J.F. NEILD, SECRETARY
CANADIAN TRANSIT ASSOCIATION
35 YONGE ST., TORONTO, ONT.
WELLES CORPORATION LIMITED HAS ACQUIRED CANADIAN MANUFACTURING RIGHTS FOR
MARMON-HERRINGTON MOTOR COACHES FORMERLY BUILT BY FORD MOTOR COMPANY STOP
NEW WELLES MARMON-HERRINGTON MOTOR COACHES WILL BE SOLD AND SERVICED BY WELLES
CORPORATION LIMITED STOP MANUFACTURING PROGRAM NOW UNDER WAY AND DELIVERIES
WILL START IN SEPTEMBER STOP PLANS BEING COMPLETED FOR SERVICING ALL PREVIOUS
MODELS OF FORD TRANSIT COACHES STOP OPERATORS ARE ASSURED OF OUR UTMOST
CO-OPERATION
WELLES CORPORATION LIMITED
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... COMPLETE? EXTRA WORDS COST ONLY A FEW CENTS.

WELLES CORPORATION LIMITED
FREDERICTON A. T. Patstone | MONTREAL Philip Cadrin | TORONTO 2498 Yonge St. Phone MAyfair 8183 | CALGARY 1119 Dorchester Ave. | VANCOUVER 1915 Granville St. Phone BAyview 2534

R. E. BAKER

Has been appointed executive assistant to D. S. Abbott, general manager of The Arborite Company Limited, while retaining his position as secretary-treasurer. In his new position Mr. Baker will co-ordinate company plans relating to sales and advertising, allowing Mr. Abbott to devote full time to Arborite's current expansion program.

Previous to Mr. Baker's appointment as secretary-treasurer in 1947 he was for 11 years a member of the staff of Howard Smith Paper Mills Ltd., Arborite's parent company. *

INVESTMENTS THIS WEEK

Gatineau Power Common Eases With IHES Offer

Investors' attention, particularly in the United States, is being focused on Gatineau Power Co. common as a result of the current exchange offer of 600,000 such shares to holders of International Hydro-Electric System 6% debentures due 1944 (see separate story). Although it is understood that the FECB will not authorize Canadian residents to accept the exchange offer, many Canadian investors are also investigating the stock.

Gatineau Power common is currently selling about $18½ a share in Canada ($15½ in New York), having sold off slightly from its 1950 high of $19½ in the past couple of weeks, probably partly due to announcement of the exchange offer. It recorded its 1950 high on April 19 and held up around that level until June 13. Its 1950 low was $17½ on Jan. 14.

Net profit for 1949 amounted to $3,176,340—second highest net in its history. It was exceeded only in 1947 when net profit was $3,512,547.

Earnings per common share amounted to $1.43 in 1949 and for the five years 1945-49 have averaged $1.34 a share. At its current Canadian price, the stock is selling about 12.9 times 1949 earnings and about 13.8 times average earnings for the five-year period — not a high ratio.

Dividends are currently being paid at the rate of $1.20 a share a year, the rate having been established with quarterly payment of 30c a share on July 1, 1947. On the basis of this rate, Gatineau Power common yields about 6.49% at its current price.

To meet increasing demands for electric power from present customers, extend the retail electric service areas and improve its service, the company and its subsidiaries have added materially to plants and properties in the last five years. Additions, at cost, in the period 1945-49 inclusive total $9.2 millions and the net increase in plant and property accounts was $8.3 millions.

Even more important for investors are the indications that further growth may be expected. Demand for electric service continues unabated in the company's territory, President G. Gordon Gale stated at the annual meeting. Extensive improvements and extensions are planned this year to meet increasing demand and to extend rural services.

The construction program planned for 1950 and 1951 calls for approximately $4 millions, of which it is estimated that approximately $1 million will be spent to construct a 15,000 kva substation at Lachute and a 33-mile 110,000-volt single circuit wood pole transmission line to connect the company's system at Lachute with the hydro-electric plants at Cedars and Beauharnois. This interconnection is designed to provide for growth in demands of wholesale and retail customers. Balance of the construction expenditures will provide principally for distribution extensions and for additional transformer capacity.

To provide in part the funds for the 1950 construction program, temporary bank borrowings, estimated at $1.5 millions, will be required. Such borrowings, initially at least, will be evidenced by demand notes, it is stated in the prospectus. The method of financing expenditures for the 1951 construction program has not been determined, but may include additional bank borrowings. The company also expects to do permanent financing from time to time through the issue and sale of additional first mortgage bonds or other securities, from which proceeds would retire temporary bank borrowings and pay for future construction.

Capitalization, outstanding as at May 16, 1950 consisted of $70,296,567 funded debt; 121,960 5% preferred shares par $100; 35,000 5½% preferred shares, par $100; and 1,662,480 common shares. International Hydro-Electric System held 1,439,024 or 86.55% of the common shares. Should all the 600,000 common shares be sold, IHES will still own at least 50% of the Gatineau Power common.

* * *

New Investment Firm Formed In Toronto

A new investment and brokerage firm — McConnell & Co. — has been established with offices at 11 Jordan St., Toronto. Principals are Robert K. McConnell and Chester H Smith.

Mr. McConnell has been associated with Brawley, Cathers & Co. for the past 18 years and is a director of Canadian Vickers, Montreal Drydocks and Community Food Products.

Mr. Smith has been engaged in business in St. Thomas, Ont., with his father, the late Edgar A. Smith, and under his own name, for some 31 years.

ACCOUNTANT WANTED

CITY OF WELLAND

SEALED APPLICATIONS marked 'Accountant' will be received by the undersigned until 12 o'clock noon, July 3rd, 1950.

This is a new position and the man accepted should have a sound knowledge of municipal accounting and be familiar with banking procedure. Approximate age limit 30 years. Salary to commence at $2600.00. Pension Plan. Duties to commence as soon as possible

Proven ability will ultimately result in promotion to City Treasurer.

J. D. WATT,
City Clerk.

Welland, Ontario,
June 15th, 1950.

TOWN OF ESSEX

Tenders for Debentures

Sealed tenders marked "Tender for Debentures" will be received by the undersigned up to three P.M., Daylight Saving Time, Monday, July 3rd, 1950, for the purchase of Debentures of the Town of Essex, as follows: $80,000.00—3½%, 20 year Debentures, dated July 1st, 1950, final payment July 1st, 1970; approximate equal amount payment of interest and principal annually; debentures due in 20th year only callable: issued for erection of Junior Public School; principal and interest payable in Canadian funds in Toronto and Essex. The highest or any tender not necessarily accepted. For further particulars apply to W. E. Beaman, Treasurer.

INTERNAL AUDIT ASSISTANT

A man about age 30 with Chartered Accountancy or equivalent training preferred. Must have some industrial accounting or auditing experience.

Reply by letter, stating age, experience and education and include a recent photograph

to

Manager, Employment and Placement Department,
Industrial Relations Division

FORD MOTOR COMPANY OF CANADA, LIMITED,
WINDSOR, Ontario

PROFITABLE COMPANIES WANTED

If you contemplate the sale of your company we suggest that you communicate with us as we have clients who desire to purchase stock control or entire ownership of profitable enterprises at prices exceeding $500,000, also we are interested in ones at lower prices.
Those for whom we have acted in similar situations will give assurance that all inquiries will be treated as may be desired.

George C. Kirkpatrick & Co. Limited

Elgin 4704 — 200 Bay Street, Toronto, Ontario.

RICHARDSON, ELWELL, PARISH & CO.
CHARTERED ACCOUNTANTS
and
McDONALD, CURRIE & CO.
CHARTERED ACCOUNTANTS

Are pleased to announce that they have amalgamated their practices and that hereafter the combined practices will be carried on under the firm name

McDONALD, CURRIE & CO.
Canadian Bank of Commerce Chambers
HAMILTON, ONT.

H. St.A. ELWELL, C.A. — A. W. PARISH, C.A.
Resident Partners

S. G. RICHARDSON, F.C.A.
will be associated with the Firm as a Consultant

R. M. RAINVILLE

of Rainville & Co. has been elected a member, Montreal Curb Market.

Prov. Transport Buys New Buses With 3% Issue

MONTREAL (Staff) — To help provide funds for purchase of 60 new buses, Provincial Transport has issued a further $1 million 3% equipment trust certificates due $200,000 annually June 15, 1951-55. The certificates have been placed privately through Greenshields & Co. and Savard, Hodgson & Co.

Of the new buses, 29 have already been acquired and the remainder will be delivered shortly. Company will then have a fleet of 516 buses, 340 of which are less than four years old. Seating capacity of the system will have been increased from 15,705 to 17,845.

The new equipment trust certificates, Series B, are the second such series issued by the company. A similar issue of $1 million 3% certificates, Series A, was sold in March, 1949.

The certificates were issued according to the Philadelphia plan under which the company rents the buses until all interest and principal is paid off. Cost of the buses must be not less than $1,333,333, of which $1 million is provided by the issue and the remainder by the company as advanced rental.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted

STARRATT OLSEN GOLD MINES treated an average of 296 tons of ore daily in 1949; average value was $8.23 per ton and total production amounted to $814,192. In the first four months of 1950, average tonnage was boosted to 386 daily, average value was $9.50 per ton and production totaled $374,862.

Operating profit in 1949 amounted to $34,839 and net profit after adding cost-aid, was $274,539 or 9c a share.

Ore encountered on the 1,000-ft. level during the year proved to be of good grade and in larger quantities than any other level to date. It has a tendency, however, to slime, states President J. E. Hammell, but test work and investigation are under way to enable the mill to handle the 500 tons daily for which it was originally designed.

INCOME ACCOUNT

	Year ended Dec. 31 1949	Period Sep. 1 to Dec. 31 1948
Bullion prod.	$814,192	$148,545
Less: Oper. exp.	779,353	215,203
Oper. profit	34,839	†66,658
Add: Misc. inc.	60	30
Cost-Aid assist.	293,847	67,677
Less: Int. on loans	45,804	12,801
Prov. for taxes	8,403	......
Net profit & surp.	274,539	†11,752
†Loss or deficit.		
Earned per Share	$0.09	d$0.004
None paid.		

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash & bullion	$69,037	$50,776
Accts. rec.	2,877	5,021
Est. Cost-Aid	105,679	67,677
Mat. & supplies	87,833	68,292
Total curr. assets	256,426	191,766
Dep. re power contr.	2,000	2,000
Misc. assets	11,593	12,556
Claims & props.	480,942	480,942
Bldgs. & equip.	1,229,883	1,198,721
Devel. exp.	830,146	830,146
Deficit	......	11,752
Total assets	2,819,990	2,727,883
Total curr. liabs.	101,275	179,341
Due allied co.	955,928	1,048,542
Capital stock	1,500,000	1,500,000
Earned surplus	262,787	......
Working capital	164,151	12,425

OPERATING STATISTICS

	1949	‡1948
Tons milled	108,030	33,501
Average recov.	$7.54	$4.43
Ore reserves, tons	351,738	†455,430
Grade ($35 gold)	$6.32	$6.37

†Incl. dilution allowance of 10% of the calculated reserves at a value of $1.05 per ton.

‡4-month period, from Sept. 1 to Dec. 31, 1948.

First Public Financing For Consolidated Glass

First public participation in another old established business is seen with the offering of bonds of Consolidated Glass Industries Ltd. this week by Harrison & Co.

The issues consist of $200,000 first mortgage serial 5% bonds, dated June 1, 1950, due June 1, 1951-60 ($20,000 a year), offered at $100 and accrued interest, and $450,000 general mortgage sinking fund 5½% bonds, dated June 1, 1950, due June 1, 1975, offered at $100 plus accrued interest and carry a bonus of 20 no par value common shares per $1,000 bond.

Consolidated Glass Industries Ltd. was incorporated April 28, 1950, to take over the business of Consolidated Glass Ltd., established in 1893 by W. R. Hobbs, father of present Chairman of the Board J. W. Hobbs. It is now one of the three largest glass jobbers in Canada and, of the three, is the only Canadian owned company, the prospectus states.

The company operates four plants—in Toronto, Montreal, Ottawa and that of its subsidiary, Bennett Glass Co., in Windsor. Business consists of jobbing of glass of all kinds for buildings, furniture, automobiles and for other purposes where flat glass can be used as well as the sale of other glass products such as glass block which is imported and sold by the company as joint agents for the Owens-Illinois Glass Co. of Toledo, Ohio.

The executives who have successfully operated this business for many years will continue to be responsible for its operation, the prospectus states. Directors are: John W. Hobbs, chairman of the board; A. G. Hayes, president and general manager; F. H. Tyrrell, vice-president in charge of sales; J. M. Hobbs, vice-president and manager of Toronto branch; and G. K. Masters, all of Toronto.

Proceeds from the sale of the two issues will be used in part payment of the purchase price of the business and assets of Consolidated. G. K. Masters has subscribed for 2,250 preferred shares, par $100, at par, payable on or before June 30, 1950.

Consideration to be received by Consolidated Glass consists of $825,000 in cash and 70,000 no par value common shares. Mr. Masters will be in a position by reason of beneficial ownership of the majority of the common shares to elect a majority of the directors. He has agreed to purchase all the issued shares of Consolidated Glass Ltd.

Net earnings of the company were $98,451 for 1949 and $124,288 for 1948. For the first four months of 1950 the company shows a net loss of $15,693 but Mr. Hayes states that this is an off-season period and sales for this period are within the same range as for the period in past years. "The company's backlog of orders in hand is at the highest point in the history of the business, so that the year should compare favorably with previous years," Mr. Hayes adds.

Average earnings for the past ten years would be 10.8 times annual interest requirements on the first mortgage bonds after interest and before depreciation and over nine times after depreciation. Earnings on the common stock offered with the general mortgage bonds would have been over 60c a share in 1949, it is stated.

Pro forma consolidated balance sheet shows current assets of $849,470; current liabilities of $594,384; investments, mainly in shares of Canadian Libby-Owens Sheet Glass Co., at $43,504, fixed assets, after depreciation, at $558,834 and bond discount and organization expense at $70,000.

Capitalization outstanding on completion of the present financing will consist of $200,000 5% first mortgage serial bonds due 1951-60; $450,000 5½% general mortgage bonds due June 1, 1975; 2,250, 6% cumulative preferred shares, par $100, and 100,000 no par value common shares.

Int. Hydro Offers To Exchange Gatineau Common for Its Debs.

Holders of the 6% debentures due 1944 of International Hydro-Electric System, are being given an opportunity to exchange their debentures for common shares of Gatineau Power Co. owned by the System.

Basis of exchange is 39 common shares of Gatineau for each debenture exchanged ($600 principal amount presently remaining unpaid on each original $1,000 principal amount). Accrued interest for the period April 1, 1950, until August 1, 1950, will be paid on each exchanged debenture. Since the total number of shares (600,000) being offered is less than the number required to satisfy in full the exchange of all debentures, the offer is on a "first-come, first-served" basis, B. A. Brickley, Trustee of International Hydro-Electric System, advises holders.

Holders who do not accept the offer will be paid in full on Aug. 1, 1950, together with interest accrued from Apr. 1, 1950, to that date, provided that at least 340,000 shares of Gatineau are either accepted under the exchange offer and/or purchased by underwriters. The exchange offer is made subject to the purchase by the underwriters of at least 340,000 common shares of Gatineau less the shares required under the offer. Underwriters are headed by Merrill Lynch, Pierce, Fenner & Beane, Kidder, Peabody & Co. and Harriman Ripley & Co.

The trustee understands that the Canadian Foreign Exchange Control Board is not prepared to authorize Canadian resident holders of debentures to accept the exchange offer, Mr. Brickley states.

In connection with the offer it is noted that the Indenture Trustee has made a demand on the Trustee for the payment of interest on the 2% of interest not paid until May 1, 1947. The total claim is equivalent to $3.20 a debenture. The U.S. Securities & Exchange Commission has reserved for later determination the validity of this claim but if it is finally determined to be payable it will be paid to the persons who surrender debentures either pursuant to the exchange offer or for payment on Aug. 1, 1950.

David & Frere 4½% Bonds Sold

MONTREAL (Staff)—Class B shareholders of David & Frere Ltd. approved issue of $650,000 4½% 15-year first mortgage sinking fund bonds at the annual meeting last week.

New bonds, dated April 1, 1950, maturing April 1, 1965, have been placed privately by the company.

Funds will be used to help cover costs of company's current construction program. A new plant is being built on Hochelaga St. in Montreal at a cost of over $1 million. First part, 85,000 sq. ft. of floor space will be ready for installation of new machinery in September and is expected to go into operation by next spring.

Eventually, company hopes to shift all operations to the new site. Present plant on Champlain St. has 42,000 sq. ft., and replacement of this capacity would involve construction, possibly in three or four years' time, of an addition to the plant now being erected.

Two young prospectors urgently need transportation in order to continue with development work on our gold properties, which we have formed into a prospecting syndicate. We wish to trade units in our syndicate for a car that is in good "shape" which is the exact condition of our syndicate, as particulars will show.

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Financing

Canadian Industry

The increasingly competitive nature of to-day's markets often requires new and improved methods of industrial production.

A modernization program may demand more funds than are readily available from company resources. This problem may be aggravated by the need for increased working capital necessitated by higher costs of production and raw materials.

Executives of corporations with a problem of this nature are invited to consult with us concerning the availability of additional capital.

Inquiries will receive careful attention.

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VL. 50-12

VOLCANO LIMITED 743 Mountain St., Montreal, Que. UN. 1591

APPOINTED SALES MANAGER

JOHN M. WILSON

D. L. Storey, President of Belleville Lock Co. Ltd., Belleville, Ontario, announces with pleasure the appointment of John M. Wilson as Sales Manager. Mr. Wilson is a native of Collingwood, Ontario, and is well known to the trade, having been actively engaged in the builders' hardware business for twenty-five years. He will supervise the Company's sales throughout Canada. *

Preferred Stocks Increased In Insurance Portfolios

A tendency to increase preferred stock holdings but no general trend for common stock holdings is indicated by the holdings of ten Canadian life insurance companies as at Dec. 31, 1949 and 1948. This is shown in the 16th edition of "Preferred and Common Stocks Considered Eligible for Investment by Canadian Life Insurance Companies" issued by the Toronto investment firm of Cochran, Murray & Hay.

Of 39 preferred stocks shown as held by the life insurance companies, 24 showed an increase in 1949; eight a decrease; seven the same. In the class A group three showed an increase, two remained the same and one a decrease. Of 27 common stocks shown, 11 showed increases; eight decreases and eight remained unchanged.

As usual the firm also shows a list of new stocks which became eligible during the year but points out the insurance acts are in the process of revision. And consequently the usefulness of the current edition may be very shortly outdated. Following is the list of new stocks which became eligible during the year.

PREFERRED STOCKS—
Acadia-Atlantic Sugar Refineries
Bathurst Power & Paper
B. C. Power Corp.
Can. Wirebound Boxes
Celanese Corp. of America
Collingwood Terminals
Corrugated Paper Box Co.
*Industrial Acceptance Corp.
International Paper Co.
†International Metal Industries
Jamaica Public Service Co.
Henry Morgan & Co.
Silknit Ltd.
Standard Chemical Co.
West Kootenay Power & Light

CLASS "A" STOCKS—
Circle Bar Knitting Co.
David & Frère Ltée
Renfrew Textiles Ltd.
Stowell Screw Co.
Waterous Ltd.

COMMON STOCKS—
Canadian Fairbanks-Morse Co.
B. J. Coghlin Co.
Inter City Baking Co.
Ontario Steel Proucts
N. Slater
Wool Combing Corp. of Can.

*$25 and $32 par value Convertible Preferred Shares.
†Class A Shares.

The abridged list of eligible preferred class A and common stocks listed continues to represent the holdings of the same 10 insurance companies as last year, it is stated.

Combined holdings as shown in the abridged list are:

	No. of Shares —Dec. 31—	
Preferred Stocks:	1949	1948
Aluminum Co. of Can.	26,000	24,100
British American Oil	15,000	11,000
Canadian Canners 2nd	4,990	4,525
Candn. Car & Foundry	10,000	11,500
Candn. Celanese	10,545	9,095
Candn. Cottons	14,120	14,120
Candn. Industries	5,843	5,854
Candn. Oil Cos.	2,550	2,550
Dominion Glass	11,385	16,050
Dominion Malting	1,770	1,770
Dom. Tar & Chemical	20,200	19,200
Dominion Textile	1,928	1,542
Gatineau Power	5,822	4,972
General Steel Wares	5,062	4,424
Goody'r Tire & R. of Can.	9,028	9,028
Imperial Tobacco of Can.	95,455	117,375
Imperial Varnish & Color	4,514	3,964
Inter. Metal Industries	5,035	4,860
Inter. Milling Co.	4,178	6,678
Loblaw Groceterias Co.	18,475	17,675
McColl-Frontenac Oil	1,955	1,805
Moore Corp.	21,752	21,752
Nat. Drug & Chem. Co.	7,000	7,000
National Grocers	10,035	7,745
William Neilson Ltd.	1,500	1,750
Ogilvie Flour Mills	1,150	1,200
Penmans Ltd.	1,547	1,677
Price Bros	3,290	2,000
P. L. Robertson Mfg.	1,469	1,366
Saguenay Power	6,545	6,260
Shawinigan Water & Pwr.	23,675	23,035
Simpsons Ltd.	3,745	2,400
Howard Smith Paper Mills	17,825	16,825
Steel Co. of Canada	6,732	5,177
G. Tamblyn Ltd.	1,480	1,480
Tuckett Tobacco Co.	978	798
Traders Finance Corp.	3,840	3,540
George Weston	4,805	4,500
Zeller's Ltd.	21,165	21,120
Class "A" Stocks:		
Biltmore Hats	6,984	6,984
Canada Packers	8,260	5,985
Candn. Ice Machine	6,000	6,000
Fittings Ltd.	15,500	14,000
Gordon Mackay & Stores	16,715	14,000
Ingersoll Machine & Tool	500	750
Common Stocks:		
Bank of Montreal	82,785	81,785
Bank of Nova Scotia	56,325	62,795
Bank of Toronto	54,980	56,715
Canada Perm. Mortgage	1,900	1,900
Candn. Bank of Commerce	81,690	81,690
Dominion Bank	42,805	41,805
Imperial Bank of Canada	51,435	47,935
National Trust	86,460	86,460
Royal Bank of Canada	57,490	57,490
Toronto General Trusts	5,669	5,450
Bell Telephone Co. of Can.	66,673	79,996
Candn. Westinghouse	5,879	5,354
Consumers' Gas Co.	8,976	9,636
Dominion Glass	6,850	6,150
Econ. Investment Trust	4,010	4,010
Fanny Farmer Candy	9,520	9,650
Ford Motor Co. of Can.	7,800	7,700
Imperial Tobacco of Can.	26,650	36,150
Inter. Nickel Co. of Can.	40,903	31,725
Penmans Ltd.	2,885	6,260
Russell Industries Ltd.	26,630	25,130
Steel Co. of Canada	16,815	17,025
Cons. Mining & Smelting	9,800	9,200
Hollinger Consol. Gold	5,000	5,000
Lake Shore Mines	2,300	2,300
McIntyre-Porcupine Mines	7,400	8,400
Noranda Mines	14,220	13,570
Wright-Hargreaves Mines	21,200	21,200

J. H. SLATTER

has been elected president, Advertising and Sales Club of Hamilton. He is Hamilton branch secretary, London Life Insurance Co.

Witnesses Defend Canada At U. S. Newsprint Probe

MONTREAL (Staff) — Rep. Emanuel Celler's newsprint investigation got under way this week after the U. S. Congressman had taken time out to hold another press conference reiterating his charges against Canada's biggest dollar-earning industry.

He claimed in New York last week that foreign governments (mainly Canada and its provinces) are trying to keep prices up and supplies down, said he planned to find out whether present or threatened newsprint shortages "result from any violation of existing anti-trust laws or any world-wide cartels."

As the inquiry got going, there were indications that all witnesses weren't quite ready to go along with Celler on all his charges. One witness claimed that books and records had been "spirited" out of the U. S. to hide monopoly evidence, others said that prices were too high, that production was being held back. There was also a suggestion by Senator Henry Dworshak of Idaho that a tariff should be placed on newsprint to build a domestic industry.

But there was evidence on the other side too. For instance, Senator Dworshak testified that publishers disagree on the newsprint situation. He read letters from some who said supplies were adequate, that newsprint makers were leaning over backwards to help their customers.

John Guthrie, professor of economics at Washington State College, said the record over the years doesn't bear out charges that newsprint makers have "exercised an undue amount of monopoly power." Attempts by producers to restrict output and influence prices have been infrequent and unsuccessful, he claimed.

As for more newsprint capacity in the U. S., a U. S. forest service expert said that competition for available wood supplies in the southern states is pushing up prices, and that production can be increased very little. A Rutgers professor said that periods of overproduction and debility in the newsprint industry have lasted longer than the occasional upswings.

Several more witnesses were expected to be called, with hearings scheduled to last a couple of weeks.

Changes in Act Affect Ruling

OTTAWA (Staff) — It is most unlikely the Government will take any official notice of the recent Income Tax Appeal Board judgment which allowed an appeal of Albro Securities Ltd. of Montreal against payment on taxes on a stock dividend received from Noma Electric Co. in 1948.

The new and present Income Tax Act has so materially altered the treatment of stock dividends that the upset of the old transaction is considered of little consequence to the majority of Canadian taxpayers.

Under the new act, the question of whether or not stock dividends are taxable as income or are exempt as being capital gains, is closely tied up with the new approach to undistributed surplus of private or public companies.

To decide whether or not an individual dividend is in fact income or capital, it is now necessary to look behind the dividend and determine whether or not the money came from undistributed income.

At present, income in the hands of an individual through dividends received, is only income to the extent that the company or institution making the payment had on hand undistributed income.

Reason for this change in the law since 1948 is that the taxpayer now has a way of converting undistributed income into surplus—surplus out of which he may now pay nontaxable stock dividends.

U. S. Shipments 8% Above 1949 For Newsprint

MONTREAL (Staff) — With shipments to the United States up 140,000 tons or 8% over a year ago, Canadian newsprint exports were slightly higher than in 1949 in the first five months this year, despite a 73% drop in sales to overseas markets.

Total shipments amounted to 1,967,578 short tons (1,965,951 a year ago) up to the end of May. Of this, 1,916,194 (1,776,110) went to the U. S.

Consumption of newsprint in the U. S. continued high, with May totals 2½% above May, 1949 and an estimated 6.3% increase in the five-month period. Stocks in the hands of U. S. consumers amounted to 34 days' supply against 41 days a year ago. Newspaper advertising linage up to the end of April was 4.6% ahead.

Canadian newsprint production in May, per working day, was 0.02% ahead of May, 1949, with total output of 459,937 tons (442,-730). Rate was 100.4% of rated productive capacity against 100.1% last month, 103% a year ago. (1950 rated capacity is 5,226,-675 tons for 307 working days; 1949 was 5,113,108 for 308 days).

U. S. production in May was also up at 89,719 tons, an increase of 12.2%, but imports from Europe were down 27.2% at an estimated 15,800 tons. To the end of May, U. S. output was up 4.8% at 396,228 tons (378,015), and U. S. shipments to U. S. consumers up 5.7% at 391,458 (370,375).

Thrift Stores Earnings Up

MONTREAL (Staff) — Sales and earnings of Thrift Stores Ltd. in the first eight weeks of the current fiscal year were substantially ahead of the 1949 period, President J. Ernest Savard told shareholders at the annual meeting last week.

Improved results are due largely to addition of new units and renovation of existing stores, according to President Savard. Thrift is continuing its policy of leasing new stores when suitable locations can be found, he said.

Shareholders approved increase in authorized share capital from 57,000 no par value common to 75,000, and the cancellation of 14,000 authorized but unissued preferred shares. Should it be considered desirable to issue more common shares in addition to the 57,000 currently outstanding, present holders will be given pro rata rights on a favorable basis, it was stated in the annual report.

The shareholders also ratified issue of $200,000 of 3% first mortgage serial bonds. Last $25,000 of previously outstanding 4% serial bonds matured June 1, 1950. Proceeds from the new issue, sold privately, are for further expansion.

STANDARD TUBE CO.'S newly formed Kardek division appoints Monahan Supply Corp., Toronto, as Canadian sales representative for Kardek car-top carrier.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

SILVERWOOD DAIRIES LTD. consolidated net profit for the year ended March 31, 1950 totaled $800,-766, up 40.8% from the previous year's $568,533.

Sales totaled $31,552,371, down slightly from the previous year's record $31,673,240. The drop, state President E. G. Silverwood and Chairman A. E. Silverwood, was more than accounted for by a fall in butter sales due to margarine competition. It is hoped that removal of the sales tax from ice cream will help to further stimulate sales of ice cream products. Net profit represented 2.5% on sales, compared with 1.8% and 2.4%, respectively, for the two previous years.

Although the flood did not damage the company's Winnipeg plant, its effect on Winnipeg volume and earnings "is likely to be considerable." Increased earnings are anticipated at other Western plants due to improved conditions and the tremendous development taking place, particularly in and around Edmonton.

An appraisal of capital assets completed during the year showed a depreciated replacement value of $12,614,164, an excess of $5,818,179 over the depreciated book value as at March 31, 1950.

CONSOL. INCOME ACCOUNT♦

Years Ended Mar. 31:	1950	1949
	$	$
Sales	31,552,371	31,673,240
Net earnings	2,173,886	1,631,797
Less: Res. for depr.	617,150	504,218
Int. on dbs., debts, & mtge.	192,032	194,116
Amort. of prem.	13,938	3,930
Inc. tax	550,000	361,000
Net profit	800,766	568,533
Less appropriations:		
Silv. W't pf. div.	57,081	53,421
Divds. & min. int. in com.	553	276
Silver Cl. A	299,706	277,908
Silver. Cl. B	154,377	108,144
Less: Div. on shs. held by sub.	3,428	3,535
Surp. for year	292,477	132,319

♦Incl. Silverwood Western Dairies Ltd.

Times Interest Earned:		
Before depr.	11.32	8.41
After depr.	8.11	5.81
Earnings per Share and Dividend Record:		
Cl. A: Earned†	$1.50	$1.04
Paid	0.60	0.60
Cl. B: Earned†	1.01	0.54
Paid	0.35	0.25
Cl. A & B‡	0.80	♦

†Before (‡after) participation.
♦Earnings not sufficient to provide participation on Cl. A or B shs. in 1949.

CONDENSED CONS. BALANCE SHEET

As at Mar. 31:	1950	1949
Cash & Dom. bds.	$2,184,869	$1,346,686
Misc. mkt. sec.	9,850	9,850
Accts. rec.	840,062	853,336
Refund. taxes	176,000	118,500
Life ins., c.s.v.	......	1,899
Inventories	1,092,201	1,594,729
Total curr. assets	4,302,982	3,925,000
Prep. exp.§	224,934	215,411
Misc. assets▲	252,410	332,562
Fixed assets	12,380,893	12,017,846
Goodwill	420,820	420,820
Total assets	17,582,039	16,911,639
Subs. bk. overdraft	111,607	48,475
Accts. & tax. pay.	2,028,967	1,925,367
Bonds, etc., mat.	162,000	157,000
Divds., int., etc.	190,323	189,999
Total curr. liab.	2,492,897	2,320,841
Funded debt	4,562,500	4,730,500
Min. int. S. W't D.	1,141,068	1,181,363
Deprec. res.	5,539,744	5,177,247
Capital stock	2,775,675	2,773,315
Surplus	1,070,155	728,373
▲Incl. ref. EPT	72,000	151,000
§Included in curr. assets in co's report.		
Working capital	1,810,085	1,604,159

Kaiser-Frazer to Assemble in Canada

(Left) R. J. Telford, Vice-President and General Manager of Reo Motor Company of Canada Ltd. and Michael Miller, President of Kaiser-Frazer Export Corporation signing agreement whereby Kaiser automobiles will be assembled at Reo's Leaside plant. Reo will continue its normal output of Reo Gold-Comet powered trucks and Reo safety school buses. *

We have prepared an analysis of

The British American Oil Company Limited

in which the activities of the Company in Alberta are discussed. We will be pleased to forward a copy upon request.

WALWYN, FISHER & CO., Limited

19 RICHMOND STREET WEST, TORONTO 1, ONTARIO

TELEPHONE: ELGIN 1131

ELECTRICAL APPLIANCES

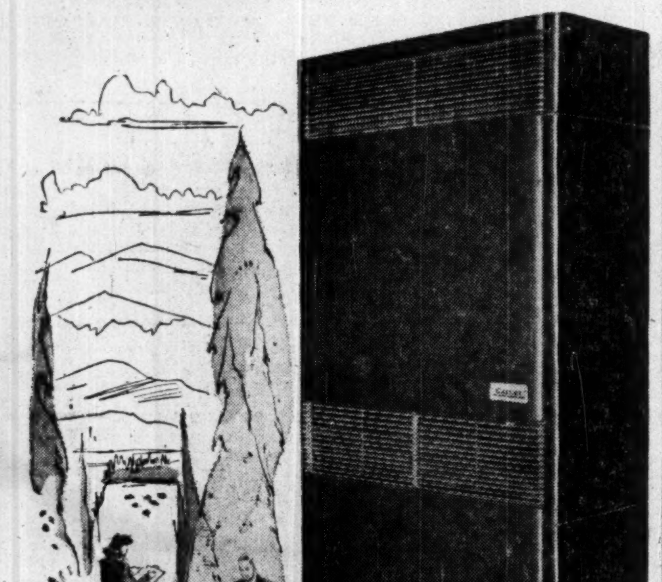
REPRESENTATIVE WANTED

Canadian manufacturer of nationally advertised and firmly established line of quality electrical appliances and hardware specialties requires experienced, persistent sales representative to cover the retail trade and wholesalers and their salesmen throughout the province of Quebec and the Maritimes. Resident of Montreal area preferred. This is a substantial proposition with income adequate to interest top-flight man. Commission basis. Please give complete information in first letter, including particulars of past and present employment and amount earned.

All applications will be treated as strictly confidential. Our staff has been informed of this advertisement.

BOX 239, THE FINANCIAL POST, TORONTO

THIS SUMMER GET ON THE COOL SIDE with CARRIER PACKAGED AIR-CONDITIONING



Hot, sticky office air can slow production to a crawl. And the way to beat heat, humidity, and resultant loss is to invest in a Carrier Weathermaker. More and more Canadian executives are finding the Carrier Weathermaker an open door to summer comfort at reasonable cost.

The Carrier Weathermaker is the perfect office companion. It can be installed without upsetting business routine. Easily moved, the Weathermaker can be yours immediately to give you lasting comfort. The Carrier Weathermaker keeps a steady circulation of cleaned and dehumidified air on the job at all times.

Can you afford to overlook this profit-maker? Why not let a Carrier engineer discuss your requirements with you? There's no obligation involved . . . and it may lead to the most comfortable investment you've ever made.

Carrier

CARRIER IN CANADA

Carrier has a modern plant in Toronto, branches in Montreal and Winnipeg, dealers in principal cities. Prompt sales and service.

Carrier Air-Conditioning • Refrigeration • Industrial Heating

CARRIER ENGINEERING LIMITED, 172 King St. E., Toronto

If you believe in Canada Investigate

Ask your Investment Dealer or Broker for details and prospectus.

CALVIN BULLOCK LTD.

UNDERWRITERS AND DISTRIBUTORS OF GOVERNMENT, PROVINCIAL AND MUNICIPAL SECURITIES

BELL, GOUINLOCK & COMPANY LIMITED

ESTABLISHED 1920

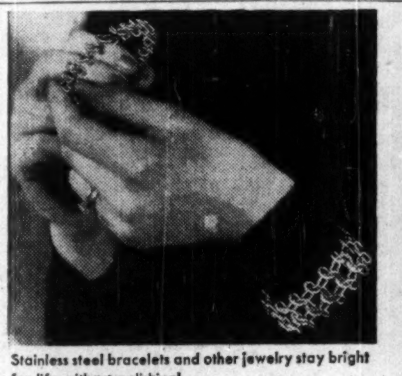
MONTREAL TORONTO WINNIPEG

DISTRIBUTORS OF QUALITY BUILDING MATERIALS

INSULATION INDUSTRIES (CANADA) LTD.

355 BURRARD STREET VANCOUVER, BRITISH COLUMBIA

Branches VANCOUVER • CALGARY • EDMONTON • REGINA • SASKATOON • WINNIPEG



Stainless steel bracelets and other jewelry stay bright for life without polishing!

This gleaming stainless steel portable stove is perfect for a tiny kitchen.

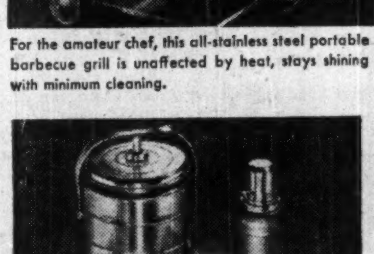
For the amateur chef, this all-stainless steel portable barbecue grill is unaffected by heat, stays shining with minimum cleaning.

STAINLESS STEEL MEANS EYE APPEAL for hundreds of products... (HOW ABOUT YOURS?)

Looking for a way to stimulate sales . . . get the jump on competition in the 1950 buyers' market?

Here's a formula that has worked for hundreds of manufacturers:- Increase the attractiveness, strength, and resistant qualities of your product with gleaming, indestructible STAINLESS STEEL.

There's sales magic in STAINLESS STEEL . . . waiting to work for *you*. Top-grade stainless is now being made in Canada by Atlas in more and more forms.



Strong and handsome are the words for this stainless steel insulated food jar and vacuum bottle.

Stainless steel watch cases are beautiful, rust-resistant . . . built to give maximum protection to delicate mechanism.

A stainless steel sink adds beauty and cleanliness to any pantry or kitchen.

2-50

IF IT'S BUILT TO GLEAM WITHOUT POLISHING, RESIST WEATHER AND CHEMICAL ACTION AND WEAR FOREVER... YOU'LL BUILD IT BETTER WITH STAINLESS STEEL!

Atlas Steels Limited, pioneer Canadian manufacturers of stainless steels, have been leading producers of fine alloy steels for special industrial use for over 30 years.

Write (on company letterhead, please) for free copies of valuable

ATLAS TECHNICAL BULLETINS

dealing with MINING DRILL STEELS • HIGH SPEED STEELS
MACHINERY STEELS • TOOL STEELS • DIE BLOCKS

Address your request to: ATLAS STEELS LIMITED, Welland, Ontario

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ATLAS STAINLESS STEELS

Publicity Versus Patriotism

Canadians may frequently be surprised and appalled at the way some U. S. investigating and other committees conduct their affairs, assassinate characters and lacerate the facts. But that is American business and we are merely onlookers.

But the smear campaign led by Emanuel Celler against the Canadian newsprint industry is one to which Canadians cannot be indifferent.

With Canada supplier for over 80% of the total U. S. newsprint supply, it is very natural and proper that our American customers should have all the facts pertaining to the Canadian industry, its plans and its prospects.

That has been done. Every U. S. buyer of Canadian newsprint has now in his office — or can have—the most elaborate and comprehensive story of what the suppliers have been doing to meet U. S. demand.

But Celler who seems to have a prodigious appetite for personal publicity is hurling accusations and insinuations as though the facts were being kept hidden, or as if he couldn't read the facts.

Given a simple statistic such as the clear and incontrovertible fact that since 1946 Canada's newsprint capacity increased 12½%, Celler replied that this was "a matter of controversy." Either Celler means the Canadians are liars or he would say the date on the calendar or the time of day was also a matter of controversy.

His committee's primary concern, says Celler, is to learn if high newsprint prices and scarcity of paper result from violations of anti-trust laws or the inadequacy of the laws.

That is interesting: A body of the U. S. Government investigating how the Canadian Government enforces its anti-combine legislation and the adequacy of that legislation.

What would Mr. Celler say if the Canadian Government were to announce a probe of Hollywood, or of the Federal Trade Commission or of the Celler committee?

Mr. Celler may, through his performance, get his name in a lot of newspapers but he is doing his country and the buyers of newsprint no good whatever. Perhaps he values publicity more than patriotism.

Capital Pays For The Tools

Help Wanted, Male and Female: Steady positions with large and old-established manufacturing company. Wages $3,500 per year for 40-hour week. Paid vacation, sick leave, hospital insurance, group insurance, retirement pensions. Bring $12,000 capital required for tools, supplies, etc.

X.Y.Z. Products Corp.

In that imaginary advertisement the monthly letter of the National City Bank of New York draws attention to a vital fact that certain spokesmen for labor frequently choose to ignore. In their argument for all the profits of industry they forget that there can be no employment without capital to supply the tools, and capital like labor, is entitled to a just reward.

If capital does not receive that reward there can be no expansion of industry, no new factories, mills or mines to provide new jobs for our growing population.

And the capital figure mentioned in that imaginary advertisement is not unusual. Actually it is the average investment per job of a dozen major industries in the United States. A few like rubber, automotive, food and iron and steel require less capital, but there are several others, and particularly those of more recent origin which need very much more.

In distilling, for instance, the capital expenditure per job is estimated at $28,000 and in the oil industry no less than $32,000. That is the amount of money required for plant, equipment, raw materials, research and other necessities. Without these there can be no jobs. That is a point which labor, the chief beneficiary, should remember and consider.

The Prime Minister's House

We find ourselves sympathetic with those members of the Senate who protested that the Prime Minister of Canada should not be required to pay $5,000 a year rent for the official residence which is now being established for him in Ottawa.

The house is being prepared for the office, not for the individuals who will from time to time occupy it. It is to be the official residence of the Prime Minister, not the private residence of Mr. St. Laurent or Mr. Drew or Mr. Coldwell.

But we deeply respect the Prime Minister's wish to pay rent. It shows a sound and dignified instinct. For now, the matter is closed.

But Canadians will do well to miss no opportunity for developing and grasping ways of adding to the stature and symbolism of the office of our country's chief.

The Americans have done much better than we in this regard. They do much better than we in making a distinction between the man in the office and the office of President.

We have too many Canadians in and out of public life who never stop the cheap game of party politics; who never seem to be able to distinguish the fine line of taste, wisdom and patriotism which separates criticism of a man and the debasement of our highest office.

Don't They Want Our Money?

A recent Canadian visitor to France reports considerable difficulty in getting his travelers' cheques cashed. Some hotels in Paris bluntly refused to handle them and even a few of the banks only did so after a great deal of formality and some delay.

In contrast there was no trouble at all in Great Britain. Hotels, merchants and railway offices gladly accepted these cheques as readily as cash and it was possible to turn them into local money at almost any hour of the day or night.

In Britain the tourist trade is considered of very great importance but in France it is probably the greatest single industry and certainly the one that could bring in the most dollars. Under the circumstances one would think that everything would be done to make it easier for the visitor with those dollars to turn them into spending money.

It Costs Us $1 Billion a Year

Social welfare of all kinds is now costing the Canadian people $1 billion a year. That is roughly equivalent to the entire pay of half a million people working throughout the year at $1 an hour.

This fact was one of many almost equally startling in an address by Hon. Paul Martin to the annual meeting of the Canadian Conference of Social Workers in Vancouver.

Half a million people represents about one-tenth of the entire labor force of the country. The Minister of Health and Welfare used the illustration to impress upon his audience that social security measures are paid for by the work of the people. If we want more social welfare—and Mr. Martin assumes that further developments are inevitable — we ourselves are going to have to pay for them out of income from work.

"In deciding how far we can go toward meeting the needs of our citizens, I do not define the limit; no one can," he said. "But you will agree with me that there is and must be at any time some limit, determined by the number of men and women who are working, and the amount of wealth they can produce.

"For countries, as for individuals, there are impossible tasks. Work is the only source of social security that we have yet discovered; to do more to help others, we must simply work harder or do less for ourselves."

The social workers are an important and valuable part of the modern nation, but by their very vocation it is natural and normal for them to press for more and more opportunities to apply the benefits of their work to more and more groups in the population. Mr. Martin did a service in reminding them that there is no magic source of the funds they aspire to spend.

But he might have gone one stage further. In actual fact, the money, both for existing social welfare activities and any that are under consideration for the future, comes in comparatively small proportion out of the pocket of the $1 an hour worker. Most of it is coming from those who have the energy and initiative to earn considerably more than $1 an hour.

Canada's development and continued prosperity depend not on how many people get and seek social security benefits, but on how many have the initiative, energy and foresight to stand on their own feet, assume their own risks and help make this a more dynamic community.

Trade Fairs and Customs Reform

Industry in Detroit is showing a commendable and positive approach to the often vexed question of imports into the U. S. There a large group, representative of all industry and commerce in the area, is working on ambitious plans for a Trade Fair that would be closely integrated with the Canadian International Trade Fair.

This indicates a refreshing change from the protectionist thinking that has pervaded American business until very recently. But this Detroit group goes one step further. It has Senator Homer Ferguson pushing a bill before Congress which would ease the path through U. S. Customs for the overseas exhibitor who quite rightly looks on U. S. customs administration with a good deal of suspicion and distrust in view of the absence of firm rulings most of the time.

What this bill would do is guarantee to the exhibitor that the customs ruling he obtains on his goods would hold for a minimum period of two years. It would also ensure that he is protected from that vicious retroactive clause in the present Customs Act which has wrecked many an import deal long after firm sales connections have been made.

It would be pleasant to report that this kind of enlightened trade thinking is sweeping the United States. Unhappily this is not so. But this Detroit move is a solid step in the right direction.

Lo, The Poor Indian!

It isn't necessary to dip into the nightmare novels of Buck Rogers politics to discover what would become of us as individuals under any visionary welfare state. Just examine the case of the North American Indian, living his secure, government-guaranteed life on the reservation. It's clear enough.

Here's what an Indian missionary on the Owyhee reservation in Nevada recently wrote: "One of the surest consequences of a government of 'welfare' and 'security' is the rapid decline and death of responsibility and character.

"Whatever the pre-reservation Indian was, and his faults were real, he was able to take care of himself and had a character becoming to his culture and religion. He was a responsible person. Today he is far from that. The wretched security he has had, beginning with the food and clothing dole of early years, designed to enforce the reservation system and destroy Indian resistance, has sapped him of character."

The missionary, Rev. R. J. Rushdoony, goes on to predict that the result would be no better for the best hundred or thousand persons selected from any society and subjected to a generation or more of the same kind of welfare and security government.

"Those Indians who have become progressive and independent apparently have done so because of personal and religious factors totally unrelated to the government program," he concludes.

The A-Bomb Victim's Prestige

U. S. scientists, making a prolonged study of the effects of the atom bomb on the survivors of Hiroshima and Nagasaki, have run into an unexpected snag. Some of their work requires comparison between the normal state of health of Japanese people in the Hiroshima and Nagasaki districts with the state of health of those who were within radiation distance when the bombs fell.

The Atom Bomb Casualty Commission reports:

> "The difficulty of screening exposed persons has been complicated by the fact that to have survived the atom bomb blast confers a certain social prestige upon an individual. Hence, many persons who apparently were nowhere near the explosions now claim to have been in the vicinity at the time of the bombing."

It's a pity that the research scientists should have to work harder to establish who got bombed and who didn't; but it presents the Japanese in a characteristically human light for a change. They are just like the folks who spend an hour in Ottawa and on their return tell you exactly what the Cabinet is thinking on a wide range of subjects, and what "C.D." said to "Brooke" and "Doug" and "Paul." If all the people who refer to our Cabinet Ministers by their first names were assembled, those ministers would be astonished at how many really intimate friends they have.

Napier Moore's Scratch Pad

EARLY IN SEPTEMBER the Canadian head office of the Prudential Insurance Co. of America will be established on seven floors of Toronto's new Bank of Nova Scotia building.

Between now and then, of a Canadian staff of 500 hired locally, some 375, mostly recent female high-school graduates will, at the company's expense, be trained at its U. S. headquarters in Newark, N.J. The first party left last week.

Returning with them to Toronto will be 150 of the regular Newark staff to add a leavening of experience, and 60 will stay permanently.

The interesting thing to us is that when the company queried its Newark employees as to who would like to move to Canada, it got several hundred applications.

• • •

TWENTY ODD YEARS AGO, Frank Sayer, of the CNR's Maritime division, drove us five miles out of Moncton and introduced us to what was locally known as the "Magnetic Hill" or "That Fool Hill." Since then we have on several occasions taken other people to see it and revelled in their bafflement. During the war, when we helped to escort a group of United States editors and publishers on a tour of Canada's martial operations, we took some of them out to the hill and had quite a time getting them to depart.

They would take a car to the brink of the hill, gaze down the slope, drive to the bottom, shut off the engine, put in the clutch, release the brakes. Then, to their complete amazement the car would slowly run backward up the hill. Muttering dark things about the impossible, they then would meditate on the spectacle of the water in the roadside ditch merrily running upward. They did this over and over again.

Actually, the miracle is caused by an astonishing natural optical illusion.

There is no illusion about the success in the free enterprise magnetic field of Mrs. Muriel Lutes Sikorski, about whom we have been reading in Canadian Hotel Review and Restaurant.

Muriel Lutes, married last year to a former Polish Army officer, had trained for nursing when, in 1933, she was compelled by illness to return to Moncton. Convalescing, she noted the tourist potentialities of Magnetic Hill. Recovered, she opened a roadside stand where she sold ice cream and operated a gasoline service station.

Last year, practically all in July and August, 27,000 visitors signed her guest book. She sold 10,000 picture postcards of the hill at 10c each. She bought an ice cream-making machine for $2,000 and is hard put to supply enough to meet the demand. A boy, posted at the foot of the hill, distributes advertising folders to motorists. To help pay the cost she persuaded the Moncton branch of the T. Eaton Co. to use the inside pages to advertise its store. Hotel Review reports that at first Eaton's said they couldn't tie in with anything which might result in their name being trodden underfoot if tourists should drop the folder. But of the 12,000 folders distributed last summer, only nine were left behind to be picked up.

Today, Mrs. Sikorski's business is flourishing and expanding in food service, souvenirs, etc. She has persuaded the provincial tourist bureau to boost the hill, and the roads department to pave the highway almost to her door, leaving the hill unchanged.

And Muriel Lutes started with a capital of $35—borrowed from an uncle.

• • •

WE DON'T KNOW WHERE it has been all this time, but we have just received a copy of an address delivered by A. J. Hazelgrove, F.R.A.I.C., F.R.I.B.A., at the Diamond Jubilee dinner of the Ontario Association of Architects held on Jan 21. We refer to it at this late date because there should be some imperishable record of the fact that, contrary to a widely held belief, architects do have a sense of humor.

Referring to Raymond Card's history of the OAA, in which book photographs show earlier members resplendent with hirsute adornment, Mr. Hazelgrove said that here was proof that architectural style is the reflection of the times—"The current baldness of architecture but symbolizes the hairless architect of today."

Minutes of Association meetings of the past provided him with further chuckles. For instance, "In 1895 serious matters engaged the attention of the Association for Mr. Gregg spoke on the need of a brief case designed and suitable for carrying full size detail drawings. Animated discussion was only terminated after the beloved A. Frank Wickson suggested a length of soil pipe as his personal preference. The records indicate that this practical suggestion was carried unanimously."

Stop Me If —

A lady went to buy a drinking trough for her dog. The shopkeeper asked her if she would like one with the inscription, "For the Dog."

"It isn't necessary," she replied. "My husband never drinks water, and the dog can't read."

• • •

"Is this a healthful town?" inquired the home-seeker of a native.

"Yes, certainly," was the answer. "When I came here I hadn't the strength to utter a word; I had scarcely a hair on my head; I couldn't walk across the room, and I had to be lifted from my bed."

"You give me hope!" cried the home-seeker with enthusiasm. "How long have you lived here?"

"I was born here," replied the native.

Cartoon by Grassick

Post Scripts

Head Planner for Biggest City

With the emergence of Canada as an important industrial nation, cities and towns across the country have found themselves faced with the embarrassing fact that in too many cases they've grown without adequate planning for traffic arteries, parks, zoning of industrial and residential areas, transit systems.

There's been a growing realization among municipal authorities that to improve the efficiency of industrial activity and the well-being of citizens, master plans are essential to eliminate the honking horns, packed streetcars and buses, smogs and other nuisances that go with lack of planning.

MR. COUSINEAU

Head planner in Canada's largest city, Montreal, is Aime Cousineau who recently became president of the Institute of Professional Town Planners of Canada. Dr. Cousineau is a graduate of l'Ecole Polytechnique de Montreal (1909), also holds a Bachelor of Science degree from MIT and Harvard.

He has interested himself in city planning studies for 30 years, became director of Montreal's planning department a little over a year after its formation in 1941.

Unmarried, Cousineau has lived most of his life in the Montreal area. He was born at Ste. Genevieve on the Island of Montreal in 1885, and outside of a stint after graduation with the federal topographical surveys department, he's spent most of his professional career with the city. Before taking over his present assignment, he had been deputy director and sanitary engineer of its health department. He also lectures to engineering students on town planning at l'Ecole Polytechnique.

He says he sticks pretty closely to technical reading even away from the office. He lives in the city during the winter, but in summer stays out at Laval-sur-le-Lac Golf and Country Club. A past president of the club, he sports a 20-handicap.

What does he think of planning? "You have to know how to wait."

• • •

Top Kiwanian

Each week nearly 200,000 Kiwanians, in more than 3,100 cities and towns of Canada, the U. S., Alaska and Hawaii, meet to have lunch, promote education, develop friendships and build better communities.

After August 1, the head man of all the Kiwanians will be a Canadian. He is Donald Herbert Murdoch of Winnipeg. He was elected president of Kiwanis International in Miami, Fla., at the service club organization's 35th annual convention.

MR. MURDOCH

As an officer and member, Mr. Murdoch has consistently been an exponent of Kiwanis ideals and purposes. He joined the Winnipeg Club 17 years ago for two reasons: one, because he had friends in it who invited him; the other, because he had a deep interest in the work of church, home and schools, and Kiwanis had similar interests.

His progress in Kiwanis was rapid. From the start he put a great deal into it.

In 1938, five years after he was a Kiwanian, he was president of the Winnipeg Club. Successively he was lieutenant-governor, district governor, international trustee, and, in 1948 and 1949, international vice-president.

Mr. Murdoch is 54. Born in Keewatin, Ont., where he got a high-school education, he took a business college course in Winnipeg

But his first job was in the army. In the first world war he enlisted in Winnipeg with the Canadian Field Artillery, was in action in France in 1917, and at the armistice served with the army of occupation in Cologne.

Re-established in civilian life, in 1920, he started as a clerk with the Peerless Laundry Co. in Winnipeg, and soon became part owner.

Two years ago the business was sold. At that time Mr. Murdoch was vice-president of Kiwanis International and on the way to the office to which he has just been elected. Buyers of his business asked him to continue as president and general manager. He agreed on condition he could take time off to conduct his service club duties.

At some time during his term of office, as president, these duties will require a personal visit to the 29 districts of the big Kiwanis empire. Mr. Murdoch is a gifted and entertaining speaker.

• • •

Hudson's Bay Chairman

The Canadian Committee of the Hudson's Bay Co. looks after North American operations of a commercial company which is one of the oldest in modern business.

MR. WOODS

Appointment of J. Elmer Woods, Winnipeg, as chairman of the Committee, was announced a few days after the company's 280th anniversary.

It was on May 2, 1670, that Charles II of England granted the charter to the Governor and Company of Adventurers of England trading into Hudson Bay. The Governor and the Company were declared "true and absolute Lords and Proprietors of a vast territory, unexplored and for the most part unknown."

Most of what was unknown then is known now. The company, of course, owed its origin and growth to the fur trade. For practical purposes this was its main interest for 200 years.

Much of Mr. Wood's business experience has been in the fields of trusteeship, investment and insurance. Born 57 years ago in Toronto, he was educated in Toronto schools and joined the insurance brokerage firm of Reed, Shaw & McNaught. But Winnipeg soon claimed him as a citizen.

In 1914, he joined the staff of the Winnipeg firm of Oldfield, Kirby & Gardner. He enlisted in 1915 and returned to Winnipeg after four years in the Canadian Army Pay Corps.

Oldfield, Kirby & Gardner was founded by J. H. Oldfield soon after the turn of 1880. The early purpose of the firm was to interest English capital in western lands and mortgages.

Its business grew to enormous proportions during the most active days of land settlement, and its interests have continued in fields related to trusteeship for outside investors. Mr. Woods, for many years general manager of Oldfield, Kirby & Gardner, is now vice-president and managing director.

His other business interests are with one important exception, mainly in companies with head offices in Winnipeg. The exception is the National Trust Co., Toronto. He is the western representative on its advisory board.

As Chairman of the Canadian Committee of the Hudson's Bay Co., Mr. Woods becomes one of the two Canadian members of the London Board. The other is Philip Chester, managing director in Canada.

What Others Are Saying

Editorial of the Week

It Does Not Work That Way

Swift Current (Sask.) Sun

One of the illusions of our times is that there is only so much work to be done in a country at any time, and the fewer people there are to do it, the more work there will be for each. That, of course, contradicts all our knowledge. All through history, with occasional interruptions, the amount of employment available has increased, not decreased, as population has grown.

The theory seems to forget that human beings are not employed for the sole purpose of finding them jobs. They are employed in order to produce goods which they and other people need. As population grows, and standards of living rise, the amount of employment increases.

This illusion used to stand in the way of this country being active in encouraging immigration. It was figured that if any more immigrants came into Canada, that number of Canadians would be put out of work. If that be sound economics, then we ought to pray for the birth rate to fall and the death rate to go up. That would seem to be a fine way of making a lot more jobs for the survivors.

Other People's Views

IN EIGHT OUT OF TEN Canadian provinces the **Montreal Star** says, death took a holiday over one recent week end. But Ontario and Quebec had 20 violent deaths. "This is one of those records that we can do without. Instead of eight out of ten, let's make it 10 out of 10. It can be done if ordinary precautions are preserved."

A SUGGESTION has been made in Newfoundland that the time-honored term "Maritimes" should be dropped and its place taken by "The Atlantic Provinces." The **Charlottetown Guardian** approves the suggestion. "The inclusion of the 10th province does complicate matters, for few of the next generation would think of the Ancient Colony as one of the Maritimes. The Atlantic Provinces is both true and descriptive, and no time should be lost in adopting it."

THE FRANTIC ENDEAVORS of a couple of years ago to develop new power in Ontario will start paying off this month. Three new generating stations, providing 1,600,000 hp., will come into operation. But, in the opinion of the **Windsor Star,** more power is needed. "The planned developments at Niagara will help out a lot, but for the future we still need the St. Lawrence. Ontario is a long way from reaching its industrial potential and its ultimate need for power."

IF NEWFOUNDLAND, by development of resources, can find an additional $6 millions annually, a lot of the province's problems will be solved. Development now seems to be getting under way, but there has been some criticism of spending a surplus to achieve it. The St. John's **Evening Telegram** emphatically disagrees with the critics. "It's not much use keeping the surplus under wraps in a bank, waiting until it is needed to balance a budget or some such purpose, when the province is losing money every day through undeveloped resources."

AN INFLUENZA-LIKE EPIDEMIC among beaver and muskrats is worrying the Manitoba resources department. Large numbers of the dead fur-bearers have been found in the marshes and the pelt harvest has been disappointing, says the **Winnipeg Tribune.** "Officials of the department put little stock in the suggestion that the epidemic has been spread by ground squirrels or migratory animals. In the meantime 500 registered trappers in the north, including many Indians, have been badly hit. Most of them will earn less than half of what they did last year. It is imperative that everything possible be done to permit the animals to stage a comeback, for the growing fur trade is an important part of the north's economy."

The Financial Post

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Ottawa: Kenneth R. Wilson, 2b Irving Avenue, 8-0847.

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June 24, 1950

The Saga of Ryland New and Shareholders

Long Dispute Over Dividend Arrears Reaching Climax

National Sewer Pipe Co. was born in a battle 22 years ago. It's been in shareholder rows almost every decade since.

More than three weeks ago, Ontario's Provincial Secretary ordered National's officers to give a government-appointed auditor access to the books.

Now the Government is defied; the auditor, kept out. The order is unenforceable, say the National men.

"Next session we'll amend the act to put teeth in it," declares the Provincial Secretary.

At the moment, then, stalemate prevails in the fight between National's ruling family, the Ryland News, and the embattled Class A shareholders.

The Principals Involved

Let's look at the background of the people and the arguments in this long saga of controversy.

President, general manager and believed to be principal common shareholder of National Sewer Pipe Co., is Ryland H. New. He was born in Toronto, July 16, 1888, educated in Toronto public schools and Upper Canada College and at SPS at the University of Toronto.

He began his business career in 1909 as a traveler for the Hamilton & Toronto Sewer Pipe Co., becoming factory manager in 1911. He was also vice-president 1909-13.

In 1913 he succeeded his father as president and managing director.

New was, at one time, active in horse-racing, his horse, Troutlet having won the King's Plate in 1927 and Aymond in 1930. In 1913, Mr. New married Helen Isabel Moyes of Toronto. Both Mrs. New, one-time national president of the I.O.D.E. and decorated with the C.B.E., and their one son, Ryland J., have in recent years become directors of the company.

Other directors are H. A. Hall, K.C., sec.-treas., H. F. Dingledine, production manager and T. H. Roadhouse of Doherty, Roadhouse & Co., stockbrokers.

F. J. Coombs of A. E. Ames & Co., who had been a director since 1929, resigned in 1948 as he was not in agreement with Mr. New on some questions of policy. Mr. Roadhouse was elected to replace him at the annual meeting in February, 1949.

New's family had been in the sewer pipe business for a long time. Their Hamilton & Toronto Sewer Pipe Co. had been established in 1860.

Formation of Company

In 1928 National Sewer was incorporated to take over the business and most of the assets of the Hamilton & Toronto; of the Ontario Sewer Pipe & Clay Products Ltd., Mimico, the Dominion Sewer Pipe & Clay Industries Ltd. of Swansea and Aldershot, and Clay Products Agency, Ltd., a sales organization.

Under a writ of July 25, 1928, Sir Henry M. Pellatt, on behalf of himself and all shareholders of Dominion Sewer Pipe & Clay Industries Ltd., except the defendant, Ryland H. New, H. R. Boulton and Alex Stark, brought suit against Dominion Sewer and National Sewer and Ryland H. New.

Pellatt, who had been president of Dominion Sewer, charged that prior to the annual meeting of March 6, 1928, Ryland H. New acquired 5,115 shares of the 10,000 outstanding shares and at the said annual meeting nominated a new board of directors.

Sir Henry was unhorsed.

The Pellatt forces squirmed. There were meetings and arguments but at a July 25 meeting that year New voted 5,115 shares plus 596 proxy shares and the New proposals to take over Dominion Sewer assets went through — 3,432 votes dissenting.

Pellatt's Charges

The Pellatt forces screamed that:

"The assets of Dominion Sewer Pipe & Clay Industries Ltd. exceed in value the assets of the Hamilton & Toronto Sewer Pipe Co. Ltd. and the said Ryland H. New by reason of this transaction is making a very large profit in connection with the transfer of the assets of the Ontario Sewer Pipe Co. to the new company and is obtaining special advantages for the Hamilton & Toronto Sewer Pipe Ltd. of which he is the principal stockholder."

—that the bylaw in question was not approved by the majority of shareholders required by the Ontario Companies Act.

—that Mr. New should not have voted his shares in this way.

The New forces admitted making a profit, said it was a reasonable and fair reward for his efforts, etc.; and that the proposed transaction was no damage to the rights of the minority shareholders of Dominion Sewer and that they were receiving exactly the same consideration as the majority shareholders.

Judgment was given for Sir Henry Pellatt on Sept. 20, 1928, declaring the bylaws invalid and granting an injunction restraining Mr. New from carrying out the sale of Dominion Sewer to himself or to the National Sewer Pipe or from acting on the bylaws. The judge expressed the opinion that New did not make any excessive profit.

Under a subsequent agreement dated Oct. 15, 1928, Dominion

RYLAND H. NEW

Sewer Pipe & Clay Products agreed to sell as of Dec. 1, 1928, all its assets and undertakings for $125,000 cash and $600,000 in preferred shares, a price higher than the previous offer.

Cumulative Feature of Shares

First public offering of the Class "A" shares of National Sewer Pipe was made in March, 1929, following a reorganization of its capital structure. A. E. Ames & Co. offered 30,000 Class "A" shares at $38.50 a share. These shares were $2.40 **non-cumulative**, convertible, no-par-value Class "A" stock, callable at $43.50 a share in blocks of not less than 2,500 shares, convertible on a share-for-share basis into common stock and entitled to one vote a share and to $40 a share in event of liquidation.

Apparently after A. E. Ames & Co. offered the shares, it found that a substantial block could not be marketed because of the non-cumulative feature. So in December, 1929, shareholders ratified a proposal to make the dividends cumulative, and soon Ames was offering an unstated number of the $2.40 **cumulative** Class "A" shares again at $38.50 a share.

Mr. New at recent annual meetings has made much of this change. He told shareholders March 25, 1949: "The cumulative feature was only made possible by the voluntary action of the common shareholders of the company who sacrificed a most favorable position by granting the Class 'A' shareholders this right." He added that if taxes in 1929 had been anything like those of 1949 the change making Class A share dividend cumulative would not have been made.

It was in 1929 that National Sewer paid its first quarterly dividend of 60c a share on the Class A shares. This continued regularly to December, 1933.

Dividends Omitted

Then came a long, dry, dividendless desert. It wasn't until June, 1949, that dividends were resumed. Since then the 60c quarterly has been coming in regularly. But cumulative arrears still amount to $36.60 a share and that's the crux of the current row.

The Class A shareholders want that money; they say the company is now well able to pay — or at least start paying; and, if it isn't they want to have a good look at the books and find out why.

That's what the New forces up to now have not agreed to do.

Of the 53,195 common shares now outstanding, the New family is reported to own more than 43,500. The Class "A" shares number 27,760 so the New family have absolute voting control.

The present move at Queen's Park isn't the first effort of the minority shareholders.

Early in 1938 the company called a meeting to consider reorganization of the capital structure to eliminate dividend arrears.

Under the plan, Class "A" holders, in return for cancellation of their stock, plus accrued and unpaid dividends, would receive, for each five shares held, $130 payable $40 in cash, $80 in 5% convertible, redeemable 20-year debentures and one common share. Holders of the common stock were to exchange each five shares held for four shares of common stock.

A. E. Ames & Co., original distributors of the Class "A" stock, fought this plan and told shareholders the book value of the two classes of stock, after giving effect to the company's plan, would be $29.28 a Class "A" share and $21.13 a common share as against a book value under the then current setup of $49.30 a Class "A" share and $10.69 a common share.

The plan was rejected by shareholders.

Then descended another period of relative calm.

Ask for Information

Until the annual meeting of February, 1947. For the first time in over nine years more than five shareholders attended, it was reported. This time a group of Class "A" shareholders had T. J. Agar, K.C., representing them.

President & General Manager New was asked for:

(a) More information on the financial and plant operations of the company.

(b) Class "A" representation on the directorate.

(c) A plan to clear up arrears of Class "A" dividends.

The request was unsuccessful so far as the Class "A" people were concerned.

Subsequent annual meetings continued to have spirit.

At the Feb. 27, 1948, meeting the late W. Kaspar Fraser, K.C., representing a group of Class "A" shareholders, declared that he and his clients had meetings discussing a reorganization plan during the previous year, including two with President New, but did not get anywhere. His plan suggested for each Class "A" share a payment of $10 cash, $30 in 5% debentures and $10 in deferred payments. The highest Mr. New had been willing to go was $5.50 in cash, $30 in 4% debentures and $6.50 in deferred payments.

Salaries were becoming one of the things that the Class A folk were asking about.

Mr. New has stated that prior to 1931 his salary was $36,000, after which it was reduced. It was $18,000 up to 1947, increased to $27,000 the next year. He said that for the 1948 fiscal period total directors' salaries were $43,000 plus fees of $850.

At the annual meeting in 1948, New said total salaries for the company were over $100,000 a year for the first three years of its existence, averaged less than $67,000 a year for the next 14 years ending 1945, and were $69,000 in 1946 and $74,000 in the 1947 fiscal year.

Class A Holders Organize

Early in February, 1949, formation of a protective committee to represent the Class A holders was disclosed.

Avowed aim was to try to get payment of dividends and on the Class A shares and to work on a reorganization plan.

Members of the committee were Edward Coleman, chairman; G. W. Sharp; T. J. Agar, K.C., and Donald M. Deacon, secretary, all of Toronto. Counsel: Fraser, Beatty. Tucker, McIntosh & Stewart.

At the February, 1949, meeting the Protective Committee's representative J. L. Stewart, said the group controlled more than 20,000 Class "A" shares or nearly three quarters of the outstanding.

In a lively 2½-hour annual meeting shareholders obtained President New's agreement to:

(1) To give consideration before June 1 to declaring a quarterly dividend of 60c and declare it if it were evident that it could be continued.

(2) To adjourn, rather than terminate, the annual meeting to March 25 so that a report on negotiations between the president and the Class "A" Shareholders Protective Committee might be given shareholders.

At a spirited 2½-hour continuation of the annual meeting on March 25, 1949, Class "A" shareholders heard:

Earnings Record
of National Sewer Pipe Co.

Due to increased costs and reduced sales, the net profit for the first half of the current fiscal year was over 20% lower than for the same period of the previous year, the company states. A record of the net profit since incorporation shows as follows:

Year Ending Oct. 31	Net Profit $	Earned per Class A Share $
1929	294,463	7.36
1930	215,425	7.23
1931	179,285	6.19
1932	72,030	2.54
1933	7,653*	d0.28
1934	36,728*	d1.32
1935	49,076*	d1.77
1936	47,802*	d1.72
1937	33,134*	d1.19
1938	29,776*	d1.07
1939	29,026*	d1.05
1940	1,959*	d0.07
1941	9,354	0.34
1942	6,152	0.22
1943	5,834*	d0.21
1944	13,956*	d0.50
1945	19,531	0.70
1946	21,578	0.78
1947	71,361	2.57
1948	108,525	3.91
1949	177,126	6.38

*Loss. (d)—Deficit.

(1) That negotiations between the protective committee for Class A shareholders and Mr. New had ended without an agreement for dealing with preferred dividend arrears.

(2) They also heard Mr. New reaffirm the hope that Class A dividends would be resumed by June 15 and that he would take under "very serious advisement" appointment of a director to represent Class A shareholders.

Meanwhile on March 15 Mr. New had advanced a reorganization plan under which Class A shares would be exchanged for $10 in cash, $25 in 15-year 5% debentures, redeemable or purchaseable by the company at par and accrued interest; one non-cumulative new Class A share participating with present common shares up to but not exceeding $1.20 a year in any financial year; redeemable and purchaseable by the company at $16.50.

Protective Committee's Reply

No, said the Protective Committee. It wanted nothing less than $20 in cash, $35 principal amount of 15-year 5% debentures, one new Class A share redeemable at $20 a share, carrying a cumulative dividend of $1 a share; and participating, after payment of dividends of 50c on the common shares, equally with the common shares, share-for-share, in any further dividends up to a maximum participating dividend of 50c a Class A share.

Mr. New thundered back; "It is quite apparent that this letter from the Class A shareholders committee does not embody any concessions whatever, and consequently your president has no alternative than to report that negotiations with this committee have come to an end."

The annual meeting of December, 1949, was again stormy. It stretched out to 3½ hours. Class A holders wanted a payment on account of their $36.60 dividend arrears and appointment of a third party to arbitrate on a reorganization plan.

Said Mr. New:

"I am not prepared to jeopardize my interest in this company by having a third party in as an umpire." He did however, say he might consider one in an advisory capacity. He repeatedly stated that he felt any reorganization plan would have to be worked out between the two groups of stockholders — the common and the Class A — to which shareholders replied, "You are the common stock."

Mr. New agreed to set a date on which he would again meet the Protective Committee and discuss a plant to eliminate Class A dividend arrears.

Another reorganization plan had been suggested by the Protective Committee November 29. Mr. New felt the matter was of such import that it could not be discussed in a hurry. Nothing has happened since on it.

Next move was from the Class A ranks who filed an application with the Ontario Provincial Secretary asking for an independent audit of the National Sewer Pipe Co. This application was made under Section 4 (2) of the Companies Information Act of Ontario.

Mr. New said he would not be coerced; he demanded that the application be withdrawn prior to his giving the required information.

As this section is seldom invoked and was new to him in his term of office, Provincial Secretary Welsh relayed this to shareholders and asked them to comply. He did not want to be unnecessarily arbitrary in the situation, he said.

The Class A people claim they haven't got the information they want so on May 26 new application seeking an independent audit was made to the Provincial Secretary. An order appointed K. Le M. Carter of McDonald, Currie & Co., chartered accountants, "to audit the books of the company and to report thereon."

When Mr. Carter sought to carry out the order on May 29, he was unable to obtain access to the company's books.

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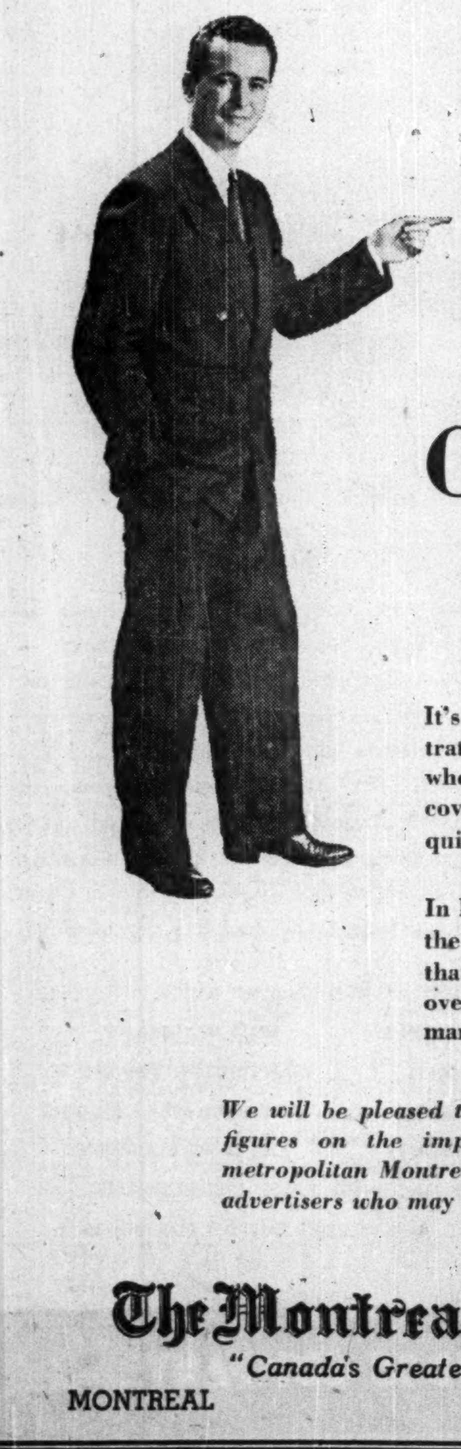
MR. C. H. GAY

MR. R. M. ROBERTSON

Babcock-Wilcox and Goldie-McCulloch Limited of Galt, Ontario, announce the appointment of Mr. C. H. Gay of Barberton, Ohio, and Mr. R. M. Robertson of Galt to their Board of Directors.

Mr. Gay is a Vice-President and the Works Manager of The Babcock & Wilcox Company of New York, with which he has been associated since 1928. Mr. Robertson joined the Engineering Department of Babcock-Wilcox and Goldie-McCulloch in 1934 and is now Assistant General Manager and Chief Engineer of that Company.



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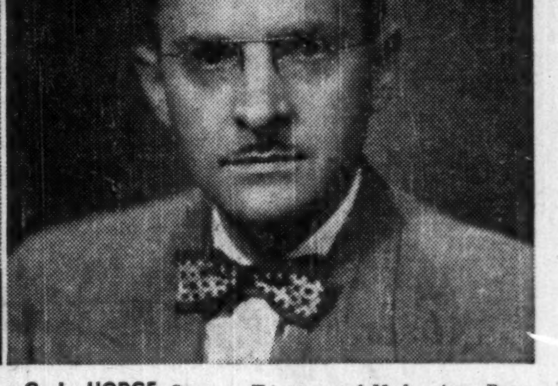

G. L. HODGE, *Secretary-Treasurer, of Hodge Auto Parts Limited, Montreal, Quebec, one of the province's larger distributors of automotive parts and a Ford-Monarch dealer, claims: "Since installing the Underwood Sundstrand we have decreased our clerical accounting staff by 40%. In addition, our monthly statements are always in balance and in the mails on the last day of every month."*

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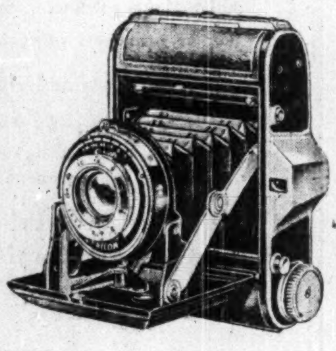

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LONDON CALLING—By Adelphi

Will Attlee Put Dalton on the Carpet For Explosive View on Schuman Plan?

LONDON—In appearance London has been gay this week because of Ascot Week. The grey toppers have appeared once more, the Royal Family have twice driven up the course in an open carriage, and the bookmakers have been singing the Hallelujah Chorus. Outsiders have won nearly every race, and when the punters tried to get their money back on Prince Simon at the odds of 8 to 1 on (which means putting up eight pounds to win one) the unfortunate animal was again beaten by a head.

Thus did this wonder horse (the horse of the century!) complete a treble of short head defeats — the 2,000 Guineas, the Derby and now Ascot. Apparently the colt has everything in his make-up except an accelerator. If the bookmakers do not erect a statue to Prince Simon they have no gratitude in their hearts.

* * *

Actually the Ascot meeting reflected the economic condition of the British citizens. In volume the betting was the smallest in years, for the reason that people have very little money in their pockets. When taxation takes nearly half the entire national income someone has to go without. This can be seen in the sale of petrol which is now unrationed. When freeing the pumps Cripps raised the retail price by an extra tax of ninepence per gallon. There was a big rush at the Whitsun holiday, but now the garages are selling less petrol than when it was rationed.

* * *

Sir Stafford Cripps On a Winning Streak

Nothing, however, worries Sir Stafford Cripps these days. The Committee Stage of the Budget opened in Parliament at 4 o'clock in the afternoon. At 6.30 next morning Cripps was still on the Front Bench taking everything that the weary Tories could throw at him. At 3.30 in the afternoon he was again on the Treasury Bench and was in such high spirits that he seemed actually sorry when the House adjourned at midnight.

It is notorious that Cripps needs less sleep than ordinary mortals, as well as less food. But his high spirits are really those of the gambler who sees his number turn up at roulette.

He gambled on devaluation. He gambled on the continued prosperity of the United States. He gambled on the Trade Unions maintaining the wage freeze and the City maintaining dividend limitation. And he has won.

* * *

That Socialist Paper On the Schuman Plan

Another factor to bring smiles to his thin ascetic face is that his predecessor, Dr. Dalton, has again blundered badly. The worthy Doctor is not particularly interested in his minor ministerial appointment of Town and Country Planning, but he is very proud of being the Leader of the British Parliamentary delegation to the Strasbourg Parliament. Like other great figures in history he believes that he can recover his lost prestige at home by achieving victory in Europe. In short, he sees himself as a future Foreign Secretary.

But he has one serious defect—he overplays his hand. For example, on Monday of this week the Socialist Parliamentary Executive issued a remarkable document laying down the party's attitude toward the Schuman Plan for amalgamating coal and steel in Western Union. With what we now recognize as a typical Daltonian flourish, although the document did not bear any signature, it was declared that Great Britain must first consider her position as the centre of the Empire, and that beyond a friendly approach to the Schuman plan she could go no further.

Then came the bombshell. It was stated in the document that Britain would be more ready to do business with the German and French planners if they had Socialist governments.

* * *

Naturally everyone assumed that this official declaration had been prepared with the full connivance of Mr. Attlee and Mr. Bevin. But when Churchill questioned Attlee about it in the House the Prime Minister was so evasive that everyone smelt a rat. Eden returned to the attack next day, and now it seems that neither the Prime Minister nor the Foreign Secretary saw the document before it was issued.

Later rumors suggest that Dalton will be on the carpet, and no doubt will be reminded of what happened to the overambitious Julius Caesar. I must say, though, that Premier Attlee takes everything in his stride. He is not cast in the heroic mold but he is tougher than either his friends or opponents thought.

An M.P. friend of mine tells me that after the rumpus in the Chamber he saw Attlee in the lobby anxiously reading the tape machine which was spluttering the day's news. He joined the Prime Minister at the machine, and asked him if the news was serious. "Not at all," said Attlee. "My old County of Surrey is having quite a revival. We have two bowlers this season who are absolutely first rate."

Nor was that mere pretense on his part. It was the cricket report that he was studying.

* * *

Age Proves No Bar To Political Activity

On the same day the irrepressible Churchill in morning coat and grey topper drove to Ascot, was in a car collision, and later watched his horse Colonist II run a magnificent race against some of the best horses of France and Britain. It did not win but it ran so well that its value was enhanced by probably another £10,000. The 76-year-old Churchill had been at the House of Commons until 3 a.m. that morning but he came back from Ascot as fresh as a debutante.

* * *

It would seem in fact that politics have some curious preservative effect on men, which may suggest that irregular habits are healthier than too much regularity. The former Sir John Simon, now Viscount Simon, fancied his chances to win the Parliamentary Golf Handicap at the age of 77. The fact that he most certainly would not win it does not alter the splendor of his spirit. Viscount Samuel, a former Liberal Home Secretary, is introducing a bill in the Lords to restore freedom to the people, and his sonorous voice will dominate the Upper Chamber. Yet he is 80 years of age.

Then there is the 71-year-old stripling Max Beaverbrook who has left for Canada, by which, of course, I mean New Brunswick. His weary newspaper executives are nearly out on their feet. When he is in London there is no respite for them. It is said that he charges his batteries by exhausting them. There may be something in that theory.

* * *

Prices are slowly rising in the City but business is small. People would like to buy but, like the punters at Ascot, the money is just not in their pockets. Even British tourists going abroad to countries on which there is no currency restrictions for travel expenditure are taking out less money than when the restrictions were on.

* * *

Nevertheless Britain is booming, and some day we shall be allowed to keep some of our earnings. At any rate, there is no harm in thinking so.

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COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted

CONSOLIDATED PRESS reports a net profit of $11,306 for the year ended March 31, 1950, compared with $2,153 the previous year.

President M. R. Sutton reports that planned circulation increases on Saturday Night, Canadian Home Journal and Farmer's Magazine, of 33%, 15% and 25% respectively, were attained and the consequent heavy costs fully absorbed during the year, "thus permitting advances in revenue rates which will enhance operations of future years." The commercial printing division "continues to expand on profitable lines."

From June 29 until Dec. 7, offset lithography production was suspended by a strike. It was settled at increased rates. In other production divisions, wage contract rates were again advanced and much of this increased cost was not offset by revenue increases.

Certain capital additions and modifications are planned but the speed of the proposed program depends largely on improvement in working capital. To this end, states Mr. Sutton, the dividend due April 1 on the class "A" shares was deferred.

INCOME ACCOUNT

Years Ended Mar. 31:	1950	1949
Net earnings	$107,949	$114,750
Less: Depr.	83,755	90,549
Moving exp.	22,021	21,148
Income taxes	......	900
Add: Asset sale prof.	9,133	......
Net profit	11,306	2,153
Less: Cl. A divds.	48,754	65,006
Deficit	37,448	62,853
Earnings per Share and Dividend Record:		
Class A	$0.11	$0.02
Paid	0.48¾	0.65
Class B	d0.54	d0.63
None paid.		

Note—No earnings available for partic.

CONDENSED BALANCE SHEET

As at Mar. 31:	1950	1949
Cash	$2,435	$2,800
Accts., rec., etc.	534,447	345,548
Inventories	273,724	260,005
Total curr. assets	810,606	608,353
Prep. exps.§	40,238	59,809
Refund. EPT	10,139	43,320
Fixed assets†	1,066,978	1,094,095
Goodwill, etc.	500,000	500,000
Total assets	2,427,961	2,305,577
Bank adv.	265,288	208,827
Accts., tax., etc.	225,233	199,220
Total curr. liab.	490,521	408,047
Prep. subscrip.	610,091	532,733
Capital stock	732,076	732,076
Surplus	595,273*	632,721
§Incl. in curr. assets in co's report.		
†After depr. of	957,050	881,944
Working capital	320,085	200,306

Mfrs. Life Awards Big Job to Anglin

Manufacturers Life Insurance has awarded general contract to Anglin-Norcross Ontario for early July start on construction of a major extension to its Bloor Street, Toronto, head office building.

The addition will have 11 stories and two basements, steel frame, Indiana limestone walls, underfloor ducts for power and communications, variable-intensity fluorescent lighting and air conditioning which will incorporate most advanced techniques of radiant heating and cooling plus close control of humidity.

Architects are Marani & Morris, Toronto; consulting engineers, Wiggs, Walford, Frost & Lindsay, Montreal, with Charles Leopold, Philadelphia, associated in design of air conditioning and heating.

Royal Bank Booklet Covers Oil Industry

A 48-page illustrated booklet on "Canada's Oil" has been compiled and issued by the Royal Bank of Canada, designed to acquaint oil men on subjects of material importance in their industry.

The booklet is of semitechnical nature, dealing with such subjects as leases and reservations, conservation and proration, Foreign Exchange Control regulations, tariff and customs procedure, taxation and business operations generally in Canada.

J. A. GRANT
who has become a partner with Playfair & Company — Member of the Toronto Stock Exchange.
Mr. Grant served with the R.C.A.F. during the last war as Squadron Leader in charge of Administration at the R.C.A.F. War Staff College.
Mr. Grant is President of Tombill Gold Mines Limited, and a Director of several other Mining Companies. *

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JACK R. HAMILTON

who has been appointed as Eastern Manager of the Thomson Dailies with headquarters in the University Tower Building, Montreal. Thomson Dailies publish ten daily newspapers, eight in Ontario, one at Moose Jaw, Sask. and in Quebec, Canada's oldest daily newspaper, the Quebec Chronicle-Telegraph. *

LABOR ROUNDUP

Are CIO-AFL Serious About Remarriage? Unity Talk Branded Political Eye-Wash

By RONALD WILLIAMS

Don't buy the line being agresssively peddled that the CIO and AFL are just about ready to kiss and make up.

After 13 years of separation, they may seem to be closer to reconcilation today than at any time since the break. But almost any candid union man will admit that chance of a remarriage are slim. What's making them cuddle up right now is politics: this is election year in the United States. Political action leaders in both groups want to put up a united labor front behind President Truman's "Fair Deal" program in the November Congressional elections.

(In Canada, there isn't even this compulsion to push the CCL and the TLC together. Co-operation is being talked in Toronto in preparation of next year's municipal elections but mainly between CCFers in both camps.)

Actually, say those who should know, there is less chance of basic organic unity today than at any time since they went their separate ways back in 1937. Today, CIO leaders have a lot more at stake. In any united movement, many are going to have to step down: Phillip Murray and William Green can't both be president.

In principle, each group favors a united labor movement. But each wants it on its own terms. These terms are vastly different.

The AFL says the CIO unions are welcome to come back as individual unions any time they like but not as a CIO unit. The jurisdictional problem which caused them to quit in the first place would be settled by a special committee of 15 top-ranking AFL officers.

The CIO wouldn't buy this 13 years ago. There is less reason for them buying it today. The only basis they would go in on is as an equal. The AFL won't buy this either for these reasons:

—there are seven AFL unions with over 250,000 members; only four CIO are that big.

—21 AFL groups have assets of over $2 millions; only four CIO are that well off.

—AFL contracts are spread throughout industry. Big CIO unions have all their eggs in one basket.

However, unity if only on the political level is important.

There has been a guarded exchange of proposals and counter-proposal and several conferences between top-level strategists of both groups.

In 21 states, machinery has been set up to co-ordinate political activities. In Massachusetts, political unity has been achieved.

Nearly everywhere they have agreed on the same tests for picking candidates. In many cases, it boils down to how a candidate voted on the Taft-Hartley Act. Repeal of the labor law is the chief plank in programs of both labor bodies.

How far reconciliation goes will depend a lot on how labor-backed candidates do in the elections. If a majority win, the peace movement will be given a shot-in-the-arm: If a lot are beaten, it will likely again be shelved.

* * *

B. C. Loggers Get Big Gain

To many, the present anti-Communist leadership of the big, powerful CIO Woodworkers in British Columbia, looked too much like the Communists they supplanted. But last week's settlement, 30 minutes after the end of a strike deadline, pointed up the difference. Under the Reds, there would have been a strike just to cause trouble. Under President Stewart Alsbury and his anti-Red group, the union bargained just as hard as the Reds ever had but knew when to compromise.

As a result, B. C. business was shaking off the jitters this week after one of the closest brushes with an economic blow-up in years. If the Woodworkers had struck, and most thought they were going to, it could have been a severe blow to the entire economy, linked as it is to lumber.

The union, realizing that lumber operators are enjoying some of the best business in years, held out for everything it could. When the smoke had cleared away, it came up with a contract that makes their men the highest paid industrial workers in Canada, and one that will cost the operators between $8 and $9 millions more a year.

The settlement provides for a 12½c raise; a straight 40-hour week, Monday through Friday, time and a half for Saturday and Sunday, and union security, although not the union shop, a key union demand.

This means a basic wage of $1.20½ an hour. Actually on the old rate of $1.08 it was figured that with overtime and other concessions the men averaged $1.30 an hour so the boost will probably bring the average up to close to $1.50.

Negotiations for the 165 coastal operators were carried on by Forest Industrial Relations Ltd., headed by R. V. Stuart. Only major operator to break away from this united front was Bloedel, Stewart & Welch, who conducted their own negotiations and settled for the same amount.

The last strike in 1946, a Communist-led affair, lasted 36 days and crippled B. C.

Last June the union, now rid of Red leadership, saw eye-to-eye with the operators, when it looked as though the British markets for B. C. lumber were going to continue drastically reduced, and no other sales were in sight.

They settled for no raise.

Now the picture has changed. The huge rush of American business that started after the devaluation of the Canadian dollar, has shoved the industry into the most prosperous period in its history. Mills are literally swamped with orders.

"The Americans don't seem to care what they have to pay. They just wave bills in front of us and say 'we want lumber,'" one operator said.

Prices have gone skyhigh. No. 2 and better common shiplap, two-by-fours, sixes and eights are selling retail in Vancouver at between $85 and $90 per thousand ft. Last fall: $55: This was the union's big bargaining weapon and they used it effectively.

* * *

Fine Does Fine In Ont.

Louis Fine, Ontario's ace labor-management troubleshooter, has done it again. Last week he got Algoma Steel Corp. and the CIO Steelworkers to see eye-to-eye on a 1950-51 contract. Details were being withheld pending consideration by the rank-and-file. However, if the past is any indication, they will closely follow the Steel Co. of Canada which Fine also helped hammer out: a two-year contract; 8c raise this year; 5c next; the 40-hour week, no pension deal.

Meanwhile, in Nova Scotia, Dominion Steel & Coal and the Sydney local of the union went to conciliation. About 4,000 steelworkers are involved. Union asking price was the same as in Ontario. Company proposed a straight contract renewal.

* * *

N. S. Miners Back Jenkins

Nova Scotia miners appear to have solidly backed Union President Freeman Jenkins in last week's election of officers. Three key office-holders who broke with Jenkins' anti-Communist campaign (Labor Roundup, May 27, June 17) were defeated by wide margins. All were veteran leaders of the 13,000-member District 26 of the United Mine Workers: Vice-president Tom Ling; John Alex MacDonald who lost the strategically important International Board member job and Allan MacPhee, subdistrict board member. All the victors are long-standing anti-Communists: Steve Dolhanty who becomes vice-president; John H. Delaney, international board member and Dan Joe MacIsaac, subdistrict board member.

* * *

Labor Briefs

There was more cash in the weekly pay envelopes of Canadian industrial workers during March than at any time on record. DBS reports in its latest monthly survey says average weekly earnings reached an all-time high of $44.87 at April 1, up 2.9% over March 1 and 3.5% above April 1 a year ago. The employment index stood at 187.6, one point above the previous month but unchanged from a year ago.

* * *

Vancouver shipyards are faced with demands for 15c hourly raises by six AFL-TLC unions. Present rate is $1.45 for workers represented by the Metal Trades Council — machinists, plumbers, painters, shipwrights, joiners and caulkers, sheet metal workers and engineers. Unions also want payment for nine statutory holidays instead of three; 4% allowance for vacations instead of 3%. Three CCL unions were due to follow the AFL-TLC lead.

Guelph Gets Plant Of Perfex Controls

Perfex Corp., Milwaukee, via its Canadian subsidiary Perfex Controls Ltd., this month begins its first Canadian manufacturing operation in 18,000 sq. ft. of leased factory space at Guelph, Ont. Guelph Industrial Commissioner Edward L. Whittaker and E. G. Spall, Perfex president and general manager, announced the move.

Sales and service headquarters will remain in Toronto office set up five years ago, in charge of sales vice-president Murray Bowman. Perfex makes controls for automatic heating equipment; maintains branch distribution and service facilities at Winnipeg, Calgary, Vancouver.

General Merchandise Plans Selling Frozen Food Business

A special general meeting of the Class "A" and Class "B" shareholders of General Merchandise Co. was being held late this week to consider authorizing the sale and disposal of the frozen food processing part of the business to Montor Industrial Corp.

Under the terms of the agreement, Montor would pay $25,000 for the plant and equipment plus a consideration equal to 95% of the cost of the stock in warehouse, stock in storage and carton stock and processing supplies, less the amount of a bank loan plus 95% of the face value of all accounts receivable and other food processing business, provided that the total consideration shall not exceed $75,000. Of the consideration, $5,000 has been paid as a deposit, $20,000 would be paid on the closing date and $5,000 on the first day of the fifth month after the closing date and $5,000 a month thereafter until full consideration has been paid.

Montor would cause a new company to be incorporated with the name G. M. Frosted Foods Ltd. with an authorized capital of 100,000 no par value common shares.

Roy H. Chambers and Howard J. L. Chambers, president and secretary of General Merchandise Co., would be employed by the new company to manage the frozen food processing business. "This was necessary, as it is very difficult to find personnel familiar with the ramifications of the frozen food business," R. H. Chambers states. "We will, however, continue as officers and manage the locker plant business as before and give all the time that is necessary for a satisfactory operation."

Under the agreement, both R. H. and H. J. L. Chambers would receive $7,500 a year for five years plus 12½% of the profits of the business. (Profits are defined as before taxes but after salaries and expenses including 1% of sales to Montor, interest on debentures, depreciation and dividends equal to 30c a share.)

G. M. Frosted Foods would create an issue of $140,000 debentures. Montor would purchase these debentures plus 30,000 no par value common shares for $125,000. R. H. and H. J. L. Chambers would have the option for six months to purchase from Montor 5,000 shares each at 1c a share.

General Merchandise Co. would continue to own the four locker plants located in Toronto, which represent more than 85% of its total assets, and the cash derived from the proposed sale would enhance its financial position in connection with the locker business, R. H. Chambers advises shareholders.

OIL PRODUCTION

Pan Western, Long Island To Drill In Saskatchewan

From Our Own Correspondent

CALGARY — In the Saskatchewan oil play, a ten-well program has been announced to explore virgin ground northeast of Lloydminster. The tests will be drilled on a 500,000-acre Crown Reservation by Pan Western Oils, Long Island Petroleums and other unnamed Canadian and American interests.

The area runs from 38 to 50 miles northeast of Lloydminster town. The wells will go down to depths of 700-1,500 ft. and will be spaced from three to six miles apart. A rig has already been moved to the first of the 10 sites and drilling was scheduled to get under way this week.

Half the cost of the program will be shared by Pan Western and Long Island, with the balance from the other participants. Interest in the wells is divided 33 1/3% to each of Pan Western and Long Island, 25% to the other group and 8 1/3% to Lambton Co. (which acquired the permits from the provincial government and has now farmed them out).

* * *

McConset-Leduc Success

The McConset - Leduc Syndicate has now been successful on its fourth and final oil well on a 160-acre Imperial Oil farm-out in the Leduc area. The latest strike, McConset-Leduc No. 5, was completed at 5,409 ft. in the D3 zone. Following acidization of the bottom four ft. of the hole, a two-hour test was run and the well showed a potential of 2,395 bbl. a day. This compares very favorably with other Leduc wells.

The Syndicate, owned jointly by McDougal-Segur Exploration Co. of Canada, Alberta Pacific Consolidated Oils and Sunset Oils, acquired the Leduc acreage in 1948, following an unsuccessful drilling attempt in another section of the Leduc field.

* * *

British Empire Scores

British Empire Oil Developments has registered its third success in the Stettler area of Alberta and is preparing to place the well on production. Indications point to a better well than either of its two predecessors, it is reported.

This latest success clicked in the D2 zone, topping it about 20 ft. higher than the second well. Three drill stem tests were recently completed in that formation. In the final one, of the interval from 5,192 ft. to 5,230 ft., a gas flow reached the surface in 2½ minutes with oil flowing 15 minutes after the valve was opened.

The hole is now being reamed at the bottom before running an electrolog and setting production casing.

* * *

Alberta Output Higher

Alberta's crude oil and natural gasoline production took a 2,321 bbl. a day jump in the week ended June 12 — average daily production totaled 62,528 bbl. against 60,207 in the previous week and 50,296 bbl. a year ago. This is equal to about a fifth of Canada's average daily requirements.

In first place was the Leduc-Woodbend field, scoring an average of 24,056 bbl. a day, followed closely by Redwater with 22,573 bbl. Turner Valley crude averaged 8,992 bbl. and natural gasoline 1,609 bbl. daily. The Alberta side of the Lloydminster field yielded 2,441 bbl. a day and other Alberta fields 2,857 bbl. daily.

Number of wells capable of producing also showed an increase —1,517 against 1,505 a week earlier. In this department, Redwater was top dog with 461 wells; Leduc-Woodbend 414; Turner Valley 328; Lloydminster 137; others 177.

REINHOLD A. LANG

W. W. FOOT

Senator W. D. Euler, President of The Economical Mutual Fire Insurance Company with Head Office at Kitchener, Ontario, announces the appointment of Mr. Reinhold A. Lang as Vice-President of the Company and Mr. W. W. Foot as a Director.

Mr. Lang is Executive Vice-President of The Lang Tanning Company Limited, and has been a Director of the Economical Mutual since 1936. He is widely known in golf, curling and fishing circles throughout Canada. Mr. Foot is General Manager of Economical Mutual; a Fellow of the Insurance Institute of Ontario; past President of the Independent Fire Insurance Conference and a member of other important insurance committees. *

ACTON VALE, Que., school commission has sold $160,500 2¾% bonds due June 15, 1951-60 and $64,500 3% 1961-75 to Bell, Gouinlock & Co. at 97.27 for net cost of 3.223%. Provincial grant of $159,440 to service loan in 10 installments. Proceeds for boys' school. Commission has no other long-term debt. Population 3,053.

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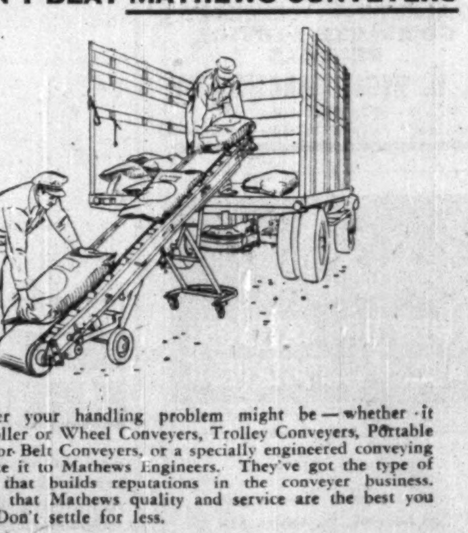

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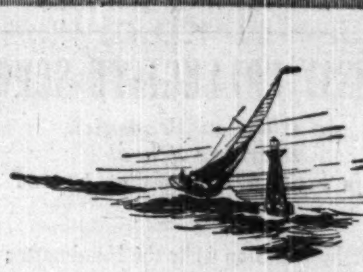

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The net result is a report, for each of your securities, which is unsurpassed in usefulness for an investor. But more important than any individual item of information is the fact that each report is revised in our Analytical Division immediately upon receipt of information that an important change has taken place in the status of the security. It may be either information regarding earnings, dividends or perhaps a favorable or unfavorable development in the industry. Or the reason may be the simple but important fact that our investment experts have decided the stock is now too high in price and no longer attractive to hold. Whatever the reason may be, you are immediately sent a completely revised report.

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Accounting for Exploration and Development of Mines
• The Mining Company Balance Sheet •
Diminishing Balance Depreciation under the Income Tax Act
—AND—
THE TAX REVIEW
Amendments to the Income Tax Act, 1950 • Latest Tax Cases and Regulations
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CITY OF LETHBRIDGE
Tenders For Debentures

Sealed tenders, marked "TENDER FOR BONDS," will be received by the undersigned up to Three P.M. Mountain Standard Time, Monday, June 26th, 1950, for the purchase of debentures of the CITY OF LETHBRIDGE as follows:

$ 19,972.70—4%—20 Year Bonds.
Dated July 1, 1949—Final Payment July 1, 1969.
Equal annual payment of Interest and Principal.
Issued for Local Improvements—Sanitary Sewers.

$ 47,535.30—4%—20 Year Bonds.
Dated July 1, 1949—Final Payment July 1, 1969.
Equal annual payments of Interest and Principal.
Issued for Local Improvements—Sanitary Sewers.

$ 30,688.00—4%—20 Year Serial Bonds.
Dated July 1, 1949—Final Payment July 1, 1969.
$ 1,534.40 of principal payments maturing each year.
Interest and Principal payable annually.
Issued for construction of Storm Sewers.

$ 31,083.00—4%—20 Year Serial Bonds.
Dated Jan. 1, 1950—Final Payment Jan. 1, 1970.
$ 1,554.15 of principal payments maturing each year.
Interest and Principal payable annually.
Issued for construction of Storm Sewers.

Principal and Interest payable in Canadian Funds in Lethbridge, Toronto and Montreal.
BONDS ARE NOT CALLABLE.

Tenderers are required to state net price to the City of Lethbridge for Lethbridge Payment and Delivery.

Debentures bear the endorsement of the Chairman of the Board of Public Utilities Commissioners of the Province of Alberta.

The highest or any tender not necessarily accepted.
For further particulars apply to:

T. H. FLEETWOOD,
City Treasurer.

CONSTRUCTION TRENDS

Canadian's Plastic Block, New Slag Brick Accordion Pleated Door at Home Shows

By CLIVE CHATTOE

Canada for the first time staged five large scale "Better Homes" exhibitions in as many cities in one year. Vancouver, Edmonton, Winnipeg, Toronto and Montreal saw samples of what the industry offers for the 1950's. Interest at all five points was high as another springtime upsurge in housebuilding all but confirmed predictions of 100,000 new housing completions in 1950.

In Toronto, the "second national home show" of the National House Builders' Association and Toronto Metropolitan Home Builders' Association drew an estimated 40,000 building conscious consumers, plus more than 20,000 builders, trade mechanics, architects, supply makers and distributors and others directly interested in mortgage lending or the building game itself.

The national housing agency, Central Mortgage & Housing Corp., had a vivid central display on (a) how wood framing must be erected if your house is to be well built, and (b) how to go about getting a National Housing Act easy credit loan.

Dominant at the Toronto show however — as in those staged in the West and at Montreal's coinciding exhibition — were materials and equipment, rather than new construction methods.

Some of the items that attracted interest:

Accordion pleated "Modernfold" door, also used as collapsible partition. As a door, it folds tight to the jamb instead of opening outward. Made in attractive colors, a light metal framework covered by plastic fabric.

Radio-activated garage door which opens or closes on impulse broadcast from a tiny low-power transmitter in your car 100 feet up the drive.

* * *

Aluminum Is Eyecatcher On $12,000 Model Home

Full-scale, low slung model house erected in 10 days beside the exhibition building by the local home builders' association and furnished "modern style" by Canadian Furniture Guild. Featured were wallboard interior, outside walls of roll-formed aluminum "clapboard" which can be left shiny or painted off-white for woodlike appearance. Architects Hanks & Irwin. It would cost about $12,000 to duplicate, including land.

Forced warm air heating units in decorative colored cases to brighten drab basements or utility rooms; baseboard radiant heating which yields cold weather comfort apparently without radiators to steal room space or mar appearance; radiant heating with warm water pipes concealed in floor, wall or ceiling or in drive areas to beat winter snow.

Concrete blocks and brick with extra air core spaces for (a) lighter construction and (b) insulation.

Metal and wood windows, improved in mechanical operation and with screens and storm sash built in or variable.

Gayly tinted bathroom fixtures, all wash basins chrome legged and nearly all in new half-moon shape. (Tinted fixtures cost more but sell now like hotcakes, several exhibitors told The Financial Post.)

Lightweight masonry unit made of expanded blast furnace slag.

Sliding, disappearing doors, reported as taking new hold in a definite space-saving trend.

Combination door, closet, wardrobe and dressing room which revolves at a touch to open or close; swings clothes and mirror out to where you are.

Interesting to many was an invention of Toronto architect Earle L. Sheppard: lightweight, translucent plastic blocks with light diffusion pattern. They're like glass blocks but weigh less than one tenth as much, cheaper to buy and install and to move or re-arrange, have some sound-absorbing ability the manufacturer-exhibitor said. Ontario Association of Architects reports the material gaining wide acceptance in housing interiors (panels, screens, partitions) and commercial buildings in United States as well as in Canada. For his invention, Mr. Sheppard won a design award at the recent Toronto conference of Society of the Plastics Industry. "Bloxolite" — each block formed of two "pans" just under eight inches square and molded in attractive ribbed design — will be out in color soon, visitors to the display were told.

* * *

Steel Man Praises U.S.-Canada Liaison

Technical gain is mutual from U. S.-Canada co-operation of agencies in the steel construction field. So American Institute of Steel Construction's Col. Jack Singleton, chief engineer, told the Canadian Institute of Steel Construction annual meeting in Toronto recently. "Valuable, important" was how he characterized wartime liaison on structural steel between the two governments and the institutes.

Welding of steel structures is gaining rapidly and so is use of bolts instead of rivets in other cases, the American engineer said in sketching recent U. S. research developments. Toronto's and Truscon Steel's Frank P. Flett was elected president of the Canadian Institute of Steel Construction.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

OKANAGAN VALLEY TELEPHONE CO. consolidated net profit for 1949 amounted $55,553, compared with $80,192 in 1948.

New telephones connected and the total now in use exceed all previous records, reports President Ross Peers. Construction program in 1949 was the biggest in history and involved capital expenditures of nearly $365,000. Included in this was conversion of four exchanges to automatic dial operation; one more has been converted since the year-end. There are now over 700 unfilled applications for service, mainly from Kelowna, Penticton and Vernon; as a result, conversion of Kelowna and Penticton is scheduled for completion in 1952 and of Vernon in 1953.

Authorized gross additions to plant for 1950 total $537,000 and for 1950-53 are estimated at $2,765,000.

Pressed by higher costs and the necessity of attracting new capital for construction, an application for increased exchange rates, long distance tolls and other charges for service was filed in May, 1950 with the Public Utilities Commission of British Columbia.

CONSOL. INCOME ACCOUNT

Period Ended Dec. 31:	1949	1948†
Net earnings	$203,348	$198,757
Less: Deprec.	70,000	45,454
Bond int. (net)	36,786	25,484
Bank int.	891	2,511
Bd. exp. w/o	1,818	1,022
Income tax	38,300	44,094
Net profit	55,553	80,192
Less: Pref. divds.	20,000	20,762
Com. divds.	21,532	21,532
Surplus for year	14,021	37,898

†From co's incorp. on Nov. 21, 1947 to Dec. 31, 1948.

Earnings per Share and Dividend Record:		
Preferred	$1.11	$1.60
Paid	0.40	0.40
Common	0.66	1.10
Paid	0.40	0.40

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$148,873	$835
Accts. rec.	40,318	35,114
Inventories	109,453	87,687
Total curr. assets	298,644	123,636
Prepaid exp.§	6,803	7,908
Misc. assets▲	116,615	57,834
Excess cost sub. shs.	122,803	122,803
Fixed assets	2,144,417	1,816,545
Total assets	2,689,282	2,128,726
Bank overdr.	......	24,563
Accts., etc., pay.	127,515	72,309
Taxes pay.	21,146	24,078
Total curr. liabs.	148,661	120,950
Deprec. res.	501,146	467,322
Funded debt	1,235,000	750,000
Capital stock	747,984	747,984
Disc. redempt. pfd. shs.	4,572	4,572
Surplus	51,919	37,898
▲Incl. ref. EPT	3,722	4,488
§Included in curr. assets in co's report.		
Working capital	149,983	2,686

PATON MANUFACTURING CO. recorded a net loss of $69,094 in the year ended April 30, 1950, compared with a profit of $56,109 the previous year. During the year, reports President F. R. Daniels, heavy imports of woolen and worsted fabrics from Great Britain, coupled with high inventories in the cutting up trade, led to a severely reduced market for Canadian goods. Devaluation accentuated this, causing severe reductions in selling prices and forcing manufacturing margins to subnormal levels.

Raw material prices are now at least equal to 1919-20 peaks and "it is doubtful whether the limit has yet been reached."

Due to the high price of wool, fabrics made from, or containing a percentage of, synthetic fibres are making considerable inroads into markets; this is expected to continue as long as raw materials remain at their present high level and "part of our market may be permanently lost."

INCOME ACCOUNT

Years Ended Apr. 30:	1950	1949
Net earnings	$143,765	$390,988
Less: Depreciation	186,889	260,820
Bond interest	25,970	26,059
Income tax	......	48,000
Net profit	▪69,094	56,109
Less: Pref. divds.	42,000	42,000
Common divds.	40,000	40,000
Surplus for year	▪151,094	▪25,891

▪Loss or deficit.

Earnings per Share and Dividend Record:		
Pref.: Earned	d$2.30	$1.87
Paid	1.40	1.40
Com.: Earned	d2.22	0.28
Paid	0.80	0.80

CONDENSED BALANCE SHEET

As at Apr. 30:	1950	1949
Cash	$122,863	$750
Invests.‡	19,602	19,602
Accts. rec.	403,073	624,922
Wool advances	7,961	32,334
Inventories†	1,045,235	1,142,295
Total curr. assets	1,598,734	1,819,903
Misc. assets	66,431	72,784
Inv. in subsids.	30,000	30,000
Fixed assets*	1,029,408	1,155,026
Total assets	2,724,573	3,077,713
Bk. loan & o'draft	......	97,223
Accts., etc., pay.	116,438	236,608
Divds. pay.	17,000	17,000
Total curr. liabs.	133,438	350,831
Funded debt	750,000	750,000
Capital stock	1,050,000	1,050,000
Earned surplus	791,135	926,882
‡Mkt. value	39,425	36,350
†After reserve of $265,037.		
*After depr. of	1,368,520	1,334,810
Working capital	1,465,296	1,469,072

EAST KOOTENAY POWER CO., Fernie, B.C., reports a net profit of $190,015 for the year ended March 31, 1950, up sharply from the previous year's $74,745. Gross revenue at $1,302,811, was $249,662 higher, while operating expenses (before pension fund contribution) at $728,719 showed a $91,956 increase, due mainly to the higher cost of purchased power and increased operation of the steam plant at Sentinel.

Total output of the system was 155,364,500 kwh (138,897,500). "Water requirements are satisfactory and should meet requirements for the coming summer," states President A. J. Nesbitt.

Due to possible heavy capital expenditures, the company has decided to continue to defer payment of preferred dividend.

INCOME ACCOUNT

Years Ended Mar. 31:	1950	1949
Total revenue	$1,302,811	$1,053,149
Net earnings	553,025	404,896
Less: Interest	138,610	141,611
Depreciation	105,000	141,900
Bond disc.	3,900	3,900
Inc. & profits tax	115,500	42,740
Net profit & surplus	190,015	74,745
Times Interest Earned:		
Before deprec.	3.99	2.86
After deprec.	3.23	1.86
Earnings per Share and Dividend Record:		
Pref.: Earned	$19.00	$7.47
Com.†: Earned	4.00	0.16

None paid on either stock.
†Incl. shs. held in trust.

CONDENSED BALANCE SHEET

As at Mar. 31:	1950	1949
Cash & gov't bds.	$505,227	$343,705
Accts. rec.	155,348	62,999
Inventories	97,586	99,012
Total curr. assets	758,161	505,716
Prep. exp., etc.§	18,907	22,180
Co's bonds	69,179	59,198
Misc. assets	60,562	66,966
Fixed assets‡	4,299,239	4,403,634
Total assets	5,206,048	5,057,694
Accts., etc., pay.	60,857	70,228
Bond int.	56,906	58,265
Bonds due	75,000	75,000
Taxes	71,240	26,408
Total curr. liab.	264,003	†229,901
Consum. dep.	10,033	12,834
Funded debt	3,400,000	3,475,000
Capital stock*	1,147,385	1,147,385
Surplus	384,627	192,574
‡After depr. of	1,226,267	1,120,466
*After deducting $2,615 (523 shs.) trust for employees.		
§Incl. in curr. assets in co's report.		
Working capital	494,158	†275,815

† Current liabilities as shown include $75,000 sinking fund requirement re first mortgage bonds.

KAYRAND MINING & DEVELOPMENT CO. reports that assays available from five drill holes completed to date on its Chibougamau property "show commercial values in copper, gold and zinc over good widths." Two diamond drills are now operating and a geophysical survey is being continued over the balance of the property.

TOWN OF THORNBURY, Ont. new issues of $21,300 3½% debentures, maturing in 15 installments, have been sold to Anderson & Co. at 101.09 or a cost basis to the town of 3.35%. Proceeds are for local improvement.

NEW NORSEMAN MINES has received payment for 100,000 shares at 20c a share under agreement with Federal Trading & Agency Ltd. dated March 14 as amended. Issued capital is 2,682,500 shares, leaving 1,817,500 shares in treasury.

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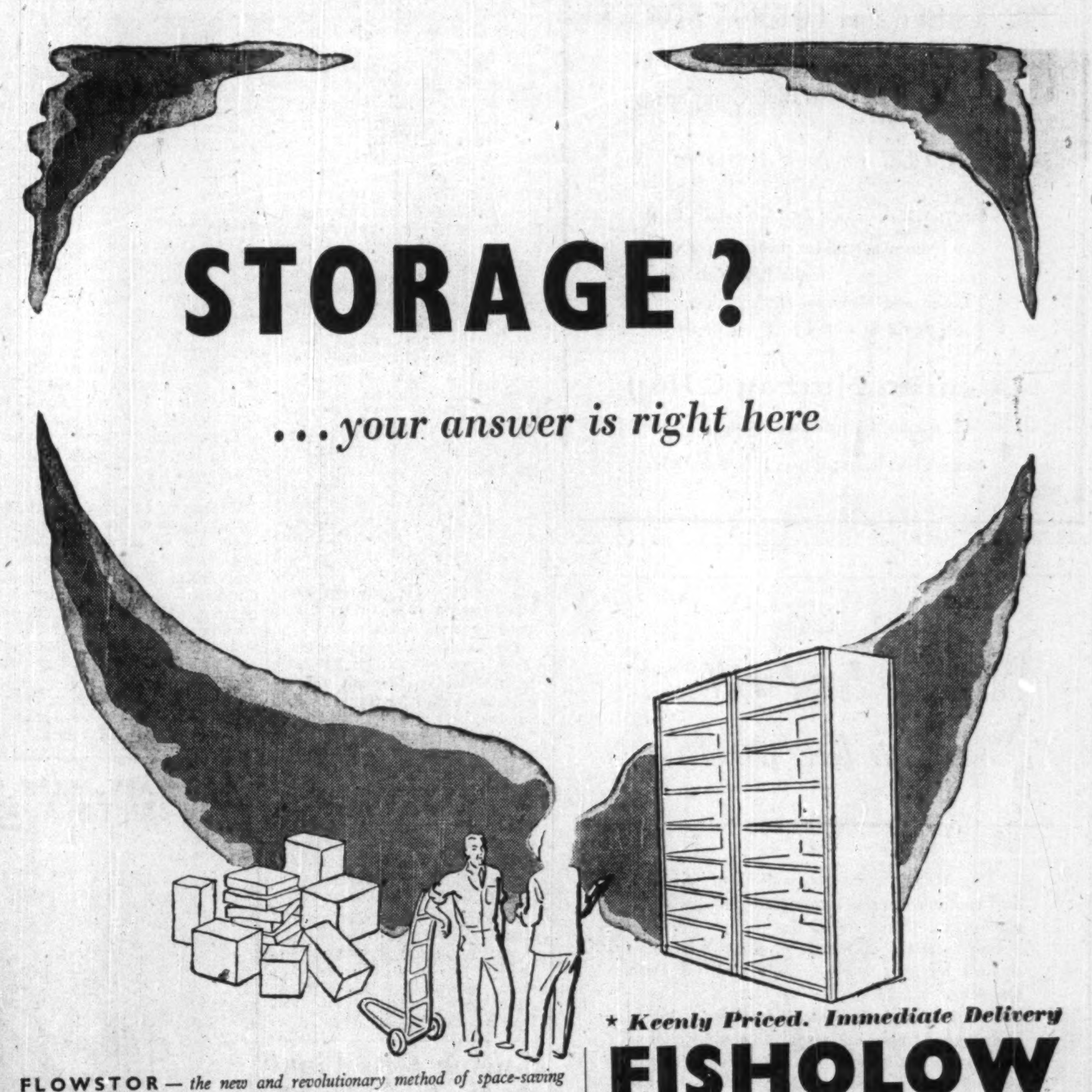
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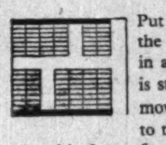
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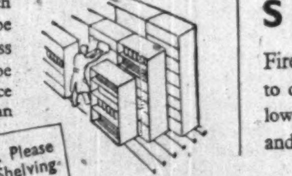

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Fewer MP's at Higher Salaries?

The Question: Would fewer MP's at higher salaries make Parliament more efficient?

With almost one voice, those who answered The Financial Post question this week declared that there should be no reduction in the number of Members of Parliament.

They emphasized, among other things, that one duty of Parliament was to represent the people; that some constituencies were already too large, and that the MP could not do his job properly if he were made responsible to a larger area.

Another point which was made was that a smaller House of Commons might tend toward more bureaucratic control.

H. F. ANGUS, Head of Department of Economics, Political Science and Sociology, University of British Columbia, Vancouver.

It would be a serious change for the worse in our parliamentary system if we had fewer members. The House of Commons must represent various localities and many shades of opinion. A smaller body of experts would be quite a different thing. The Government requires the support of a majority on which it can rely, rather than the consent of men and women whose qualifications might lead them to attach great importance to their individual judgments. Small numbers would change the character of the work expected from Parliament, but would not secure more efficient performance of its present functions.

* * *

SENATOR W. A. BUCHANAN, Lethbridge, Alta.

Fewer MP's at higher salaries might make Parliament more efficient, provided rules were altered to cut down speech making and place a time limit on major debates such as speech from Throne and budget, and procedure was adopted to enable Parliament to function expeditiously and effectively. However, I do not think the proposal would be generally accepted, particularly in parts of the Dominion where constituencies are large in area as is the case in Western Canada. Members have a large territory to cover and cutting down representation would not meet with favor by the electorate.

* * *

C. F. FRASER, Director, Institute of Public Affairs, Dalhousie University, Halifax.

Fewer MP's at any salary would be a threat to responsible government itself. Parliamentary efficiency, by which is meant the proper exercise of those legislative and critical powers which belong to the House of Commons, depends rather upon the calibre of party leadership than upon mere numbers.

Higher salaries for MP's would tend to make more parliamentarians look upon their political duties in a professional sense, thus weakening the ties which bind them to their respective constituency. Only the economic planners worry much nowadays about parliamentary efficiency. The House of Commons is the best bulwark against a bureaucratic or any other type of dictatorship.

* * *

W. B. HARVEY, Professor of Political Science, University of Western Ontario, London, Ont.

Your suggestion parallels the proposal to put all players on one side to increase scoring.

Parliament's purpose is not administration nor maximizing legislation, but preserving liberties, presenting views to Cabinet and country, training tomorrow's leaders. To prevent new governments being completely inexperienced, the House should contain opposition of national scope and Cabinet calibre.

Revamp committees rather than reduce the House. Pay enough to sustain life at a professional man's level, make impecunious ability independent of sinister support. Raise salaries but not enough to attract money-seekers. Men we want will serve at some sacrifice. When Britain really ruled the waves, Parliament was not paid at all.

* * *

MAURICE JEFFERIES, The Windsor Star, Press Gallery, Ottawa.

I agree MP's should have higher salaries. Few are able to make both ends meet without drawing on savings. There might be greater efficiency with a smaller number. Efficiency such as they had in Hitler Germany and as they have in present day Communist states where the opposition is dead or in jail, but I would be opposed to any reduction in the number of members. Fewer than the present number could not present a cross-section of public opinion nor give adequate representation to all sections of this far-flung land.

* * *

GEORGES LANGLOIS, La Presse, Press Gallery, Ottawa.

Parliament could only be made more efficient by tightening its own rules and reforming its procedure. Unfortunately, that is next to impossible, because most talking is done by opposition parties and any effort by majority to cut opposition speeches would be deemed an infringement on freedom of speech.

Fewer MP's would not change anything because most of the speech making is done by a handful of members. On the other hand, MP's having duties towards constituents as well as towards country, Parliament could hardly afford fewer members because constituencies are either too large or too populous already. Higher salaries would hardly attract better men because present levels seems sufficient under present conditions.

* * *

AGNES McPHAIL, Toronto, Former CCF member in House of Commons.

Fewer MP's at higher salaries would not make Parliament more efficient. More freedom of MP's from party control would do it, especially in the government party as it is the Cabinet rules. The rural ridings are plenty large enough in area, city seats in some cases too large as to population. The efficiency of a member cannot be judged by newspaper headlines. Cabinet ministers of all governments get top press notice, even without brains, and the best of the private members get very little, even if they have brains.

* * *

F. C. MEARS, Montreal Gazette, Press Gallery, Ottawa.

Smaller membership in House with higher salaries would enable legislators to be less dependent on professional or business income and would free them from such distractions, but those who have studied the problem say that smaller membership in itself would not guarantee that business would be done with more neatness and dispatch.

Sessional work more and more is done by standing and special committees and even now there is difficulty in having all political groups adequately represented on committees. Moreover, higher salaries would not be tolerated by taxpayers unless along with this came reorganization of Senate so that it could be made a more effective branch of Parliament.

Unless the Government is prepared to have more important legislation initiated in the Senate and unless composition of the Upper House was made more representative of political feeling in the country, higher salaries and smaller membership in the House would be almost useless, if not impossible.

* * *

JEAN FRANCIS POULIOT, Member for Temiscouata in House of Commons.

It is rather difficult to appreciate the efficiency of MP's in terms of money. Their task is painstaking and ungrateful, but they do it joyfully and the best they can, because they have the conviction to thus serve their country. With a little more cooperation from all the high-ups in the civil service, their task would be much easier.

What we need is parliamentary control of all expenditures. Fewer MP's at higher salaries would not improve anything for the good government of the country nor for the members themselves whose disbursements would be higher in proportion to the larger number of constituents.

I like my colleagues. They are doing a very good job, and I would not cut the membership of the House of Commons. Of course opinions are free and vary a lot, but I find the suggestion a crazy idea.

* * *

A. L. SMITH, Member for Calgary West in House of Commons.

At present we have many members of great ability who work very hard. On the other hand there are many others whose contribution is almost negative. I am inclined to think proportion of these two classes would remain at a similar figure if the number was reduced to 100.

This may be sad commentary on the reason the public has for electing its Members of Parliament, but I hasten to say I think democracy would not long survive in Canada if by any chance universal franchise were abolished. On the whole, I doubt that Parliament would be more effective.

Macdonald Payments Are "Yearly Rentals"

While the guaranteed minimum payments which Macdonald Mines is receiving from Noranda for leasing 50 acres of its ground are advances against the amount payable later on when the property gets into production, they are also considered to be yearly rentals, and are not repayable should Noranda cancel the lease.

This point is clarified by President Carlton Street in a letter to shareholders. He states that, assuming production was attained in 1952, price of zinc remained at 14½c a pound, and 350,000 tons of Macdonald ore were milled in that year, payment to Macdonald would be $560,000, less the rentals paid in 1950 and 1951 ($175,000) for a net of $385,000.

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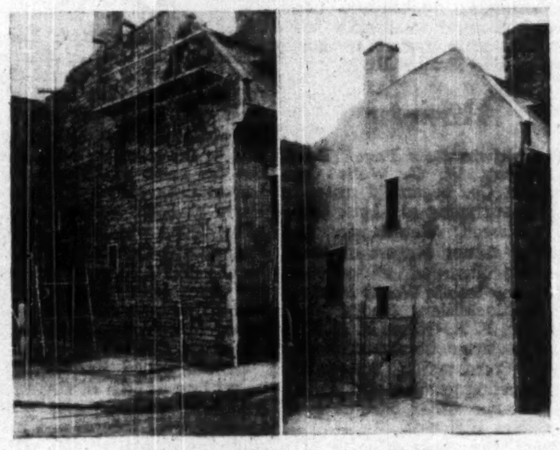

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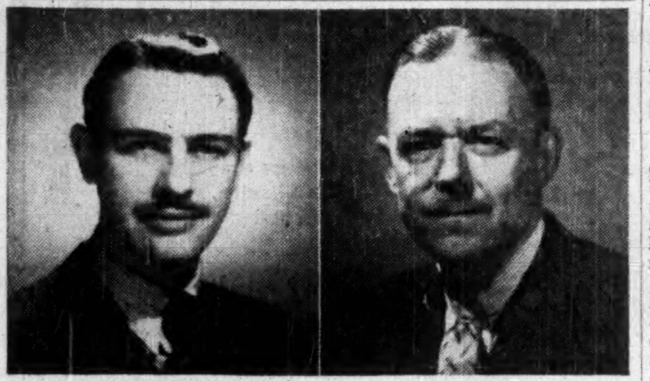

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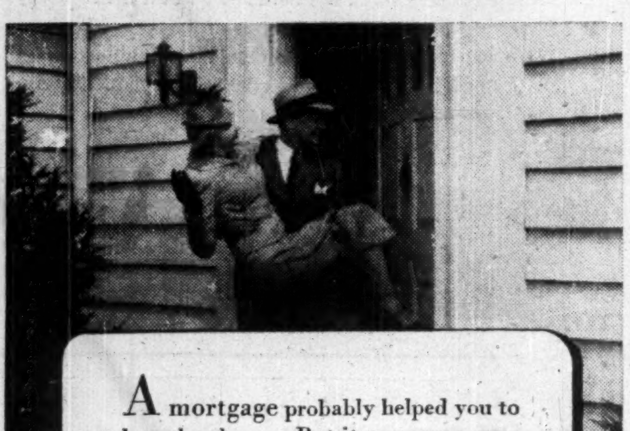

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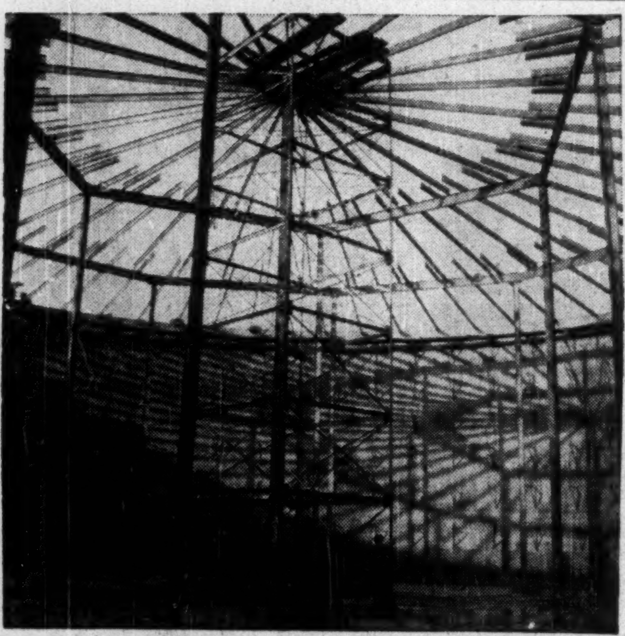

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Provincial Roundup

Significant events in public affairs and business in the Canadian provinces

British Columbia

PGE Steel from U. K.: A load of eight miles of steel rail has been unloaded in Vancouver en route to Quesnel for the extension of the Pacific Great Eastern Railway to Prince George. The rail, first shipment of a $1.8 million order from English mills arrived aboard the Furness freighter Pacific Importer. Construction crews are due to start laying steel soon. Extension will be open for passenger traffic in about 15 months.

More Docks for Westminster: New Westminster Harbor Commission Chairman K. K. Reid said Ottawa has "favorably considered" plans for 1,500 feet of new wharves plus storage sheds in a $750,000 development program. He said negotiations will be opened at once to buy city-owned land. Harbor Commission also is surveying and may take over the 100-acre man-made island called Annieville Bar at the head of Annacis Slough, built up by dredging operations and ideally situated to handle lumber shipments from the north arm of the Fraser River.

• • •

Alberta

Wetaskiwin Gets Paved Road: Edmonton's W. C. Wells Construction Co. began 26 miles of asphalt surfacing at about $435,000 between Wetaskiwin and Camrose under largest of seven contracts awarded at over $1 million by Public Works Minister D. B. MacMillan. Thode Construction, F. R. Gibbs, R. A. Kinney, Doncaster Construction and Davis Construction meanwhile were starting grading and graveling on six other stretches of provincial highway.

"Hot" Province: Alberta is a "hot" province, the annual meeting of Alberta Associated Chambers of Commerce & Agriculture was told by three notables — Economic Affairs Minister A. J. Hooke, Trade & Industry Deputy Minister John E. Oberholtzer and J. G. McGregor, manager of Canadian Utilities and author of "Blankets and Beads." Said Mr. Hooke: Industrialization in Alberta in the past few years has been stupendous. Manufacturing and processing plants now employ 12,000 with a payroll of $20 millions a year, 13 packing plants, 112 creameries, 100 flour and feed mills, 200 bakeries, 39 poultry processing plants, 12 tanneries, 36 clothing plants, 57 vegetable preparation plants.

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Saskatchewan

Prison Convocation: It was convocation day in the "big house" at Prince Albert. Graduates were the first prisoners there to complete vocational training courses started in penitentiaries across Canada in 1947 by Maj.-Gen. R. B. Gibson after his appointment as commissioner of penitentiaries. Three similar classes have graduated at Portsmouth, Kingston, Ont. One Prince Albert convict expressed "thanks and appreciation for the privilege of taking training in the institution." Serving 26 months for breaking and entering, he's taking a course in carpentry. Average age of the "class of '50" is 26.

Tighter Farm Assistance: In Ottawa, the Commons gave third and final reading to amendments to the Prairie Farm Assistance Act, which gives financial aid to western farmers suffering crop loss. The measure excludes all lands farmed under lease from municipal or provincial governments since Dec. 31, 1940. This is to prevent anyone taking up abandoned submarginal land with a consistent record of crop failure and reaping a benefit under the act.

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Manitoba

Dam Builder Fights Freshet: Can the first unit of Manitoba's Winnipeg River power development at Pine Falls be finished by the Nov. 1, 1951, deadline? Resident Engineer Thomas Miller of H. G. Acres & Co., consulting engineers on the job, says "yes, if . . ." He "hopes" the contractors will make up time already lost due to an unusually tough winter and high water last fall. On May 18, engineers blew out the north cofferdam to save the south dam from pounding water. If there are more interruptions, the first 19,000 horsepower unit (of six planned for completion, summer, 1952) may not be ready by the time for which a power shortage was predicted in Dr. T. H. Hogg's report.

Five-Year Reassessment Program: A five-year reassessment of all rural holdings in the province will start early this summer. Final figure will provide an equalized value for land in all parts of Manitoba. All farm lands and buildings, all incorporated towns and villages will be reassessed on an equalized basis. C. H. Chappell, provincial municipal assessor will be in charge of a 13-man assessing crew.

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Ontario

Who'll Lead Liberals? Ontario Liberal Association's management committee chose Nov. 9-10 for Toronto convention which will elect a leader to succeed Farquhar Oliver, former provincial leader and now House leader. Association President Norman L. Mathews, who is leadership committee chairman, reported federal Citizenship Minister Walter E. Harris had declined to stand for the Ontario leadership. Four mentioned by Mr. Mathews as in the running so far: A. St. Clair Gordon, former provincial secretary; Campbell Calder, MPP for London; W. A. Benedickson, MP for Kenora-Rainy River; Peter Wright, Toronto.

Can't Bill Wealthy: Physicians Services Inc., sponsored by the Ontario Medical Association is considering whether it's necessary to set a ceiling on the salary levels of potential subscribers, the Canadian Medical Health Association was told at its Toronto convention. Physicians Services Medical Director Dr. W. B. Stiver said general practitioners have objected that they're not allowed to make charges commensurate with the income of their patients. He said the plan might have to be confined to groups below certain income levels.

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Quebec

Liberal Wins "By": Leon D. Crestohl, 50, lawyer, this week scooped up the Montreal-Cartier federal by-election for the Liberals. All three opponents lost their deposits by failing to get 50% of the winner's total. Second, but far back was Harry Binder, Labor Progressive (Communist) Party at 3,907 against Crestohl's 9,701. Third was Maurice Hebert, Progressive Conservative, trailed by the CCF's Kalmen Kaplansky. (In Nova Scotia same day a PC and a Liberal were victors in two other federal by-elections. . . . See Nova Scotia.)

Grants Speed Rebuilding: Reconstruction of fire-ravaged Rimouski and Cabano will be speeded with federal and provincial grants totaling $5.6 millions, of which Cabano is to get $600,000. Official estimates of uninsured fire damage in the two lower St. Lawrence mill towns by a federal-provincial committee: Rimouski $10 millions; Cabano $1 million. Governments will split the grants 50-50. Grants don't include losses suffered directly by either government.

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New Brunswick

Stiffer Road Test: To cut mounting accident toll, more stringent regulations covering granting of drivers' licenses went into effect June 15. Now required are examination on rules of the road, then a road test. Some 75 examiners have been appointed and just completed their own instruction course in Fredericton. Driver with a 1949 license can get one for 1950 without examination. Fees: Examination $2; license $2. Premier J. B. McNair said other highway safety moves are on the way.

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Nova Scotia

PC, Liberal are Victors: In the farming constituency of Annapolis-Kings, a straight fight between the two major parties in Monday's federal by-election brought victory to George Nowlan, lawyer-president of the national Progressive Conservative Association, against Liberal Angus A. Elderkin. Seat was declared vacant after N. S. Supreme Court voided Elderkin's win in the general election because of irregularities. Same day, Liberals took Halifax city and county constituency in another federal "by" when Halifax Board of Trade President Samuel Balcom, druggist, defeated 35-year-old Lloyd Allen, PC, construction contractor, and CCF's Rev. J. W. A. Nicholson. This seat was vacated when Hon. Gordon B. Isnor was named to the Senate.

Cabot Trail Job Begun: Fundy Construction (Cape Breton) Ltd., has started work on a $1 million reconstruction job on the Cabot Trail, a federal project involving rebuilding several sections of road and construction of new bridges.

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Prince Edward Is.

New Farm Market Outlets?: New marketing outlets are hoped for later this month when four assistant trade commissioners from Germany, Holland, United States and the Caribbean area visit the Island together. All agriculture specialists, their trip is in connection with the annual meetings in Charlottetown of the Agriculture Institutes of Canada.

Under 1,000 Unemployed: Employment picture is called good, with fewer than 1,000 out of work and drawing unemployment insurance. Figures are from the Charlottetown district office which covers two thirds of the province and indicate 500 unemployed in that area.

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Newfoundland

Green Light for Housing: Agreement has been signed between Central Mortgage & Housing Corp., and the province for construction of 140 housing units in St. John's for rental to families with low or moderate income. This means an early start of the first specific building project brought down by federal-provincial co-operation since last December's amendments to the National Housing Act providing for 75% contribution by Ottawa. Newfoundland will acquire title to the lands needed and engage planning, engineering and surveying services. Central Mortgage will design and arrange for construction of the housing. Agreement calls for creation of a provincial housing authority to control, operate and manage the accommodation. Units will be rented to families with incomes of not more than $3,180 a year and not less than $960 a year.

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More People Have More Money In Banks Boyer Urges Development of Resources

Canadians can help keep employment abreast of the labor supply by investing in the development of their natural resources, J. U. Boyer told the annual meeting of the Canadian Bankers Association in his presidential address at Montebello, Que., last week. Here is a digest of his address:

By stimulating among Canadians generally a lively consciousness of the opportunities for their own enrichment in which their own country abounds — and of the job-creating importance of venture and investment — thinking men can make a really effective contribution toward the permanency of employment and prosperity so much to be desired.

This year $150,000,000 of venture capital is being invested in oil development in Western Canada, with 240 companies, large and small, pursuing the search which goes on so successfully in Alberta and is spreading to Saskatchewan and Manitoba. Much of this risk-money comes from outside. In the wake of this investment, population has flocked into Alberta. Population has needs — food, clothing, housing, everything.

As a direct result, and in addition to the $150,000,000 being invested in oil exploration, I have excellent authority for the statement that new building — stores, houses, university extensions, churches, schools — amounting to another $125,000,000 is to be carried out in Alberta this year. The job-creating feature of new construction needs no stressing. And the proven oil resources lay the foundation for new industries as well as the expansion of existing industries, and even for the founding of whole new communities.

Great Opportunities

Here, then, is at once an example and an illustration. In the new discoveries of oil in Western Canada, the mineral finds of Chibougamau, the iron and titanium of Quebec and Labrador, in the uranium of the great northwest, the gold and copper and other minerals of northern Ontario and Quebec, British Columbia and Newfoundland; and also in the farms of the prairies, the forests and the fisheries elsewhere in Canada, are opportunities almost fabulous.

Exports are vital. Hitherto they have accounted customarily for about one fifth of the national income; their relationship to employment is therefore of the greatest moment. Foreign markets continue to provide the main cloud upon Canada's economic horizon — a product of war and postwar economic dislocation and the disruption or impairment of multilateral trading among nations. Until the grave problem of the United Kingdom's sterling balances is resolved, the situation must continue a source of anxiety and of effort. The democratic world cannot forever function successfully in the watertight compartments of two currency areas and two separate and irreconcilable price plateaus.

8,000,000 Deposits

More Canadians have more money in their chartered banks than ever, and the average account is higher. At March 31, 1950, the end of the first quarter of this year, the public had in nearly 8,000,000 individual current and savings accounts with us, no less a total than $6,971 millions — $426 millions more than at the same date one year ago; a gain of 6½%. Savings were up $308 millions and current accounts $118 millions.

The number of accounts increased 365,000 between September 30, 1948 and September 30, 1949 and the average deposit was $873 compared to $828 in 1945. In savings alone, the average account moved up from $532 in 1945 to $637 in 1949.

Total deposits in the chartered banks reached a record at March 31 — $8,307 millions, a gain of 5½% in a year. Bank assets, the counterpart to deposits, also set a record, $8,838 millions, an increase of $412 millions or nearly 5% over March 31, 1949. Current loans in Canada, an index of business activity stood at $2,218 millions at March 31, up $192 millions in the year and more than double the corresponding figure for 1940.

Debits to individual accounts, an indication of the high level of business, reached $28,460 millions in the first four months of the year, compared to $27,040 millions in the same period of 1949. Chartered bank investments in securities of all kinds were $4,453 millions — up $168 millions over the same date last year and rep resenting 50% of total asset

High Liquid Position

The banks maintain a high liquidity relative to deposits payable in Canada, holding cash and quickly realizable assets equivalent to more than 60%.

The number of bank shareholders is on the increase, Mr. Boyer noted, going up from 50,000 before the war to 60,000 today. Dividends paid in 1949 averaged $252 per shareholder. For every dollar paid in dividends in 1949, the banks paid $6.30 in salaries and wages, 73 cents in contributions to staff pension funds, $3.64 in interest to depositors and $1.43 in taxes, including municipal.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

OTTAWA LIGHT HEAT & POWER CO. consolidated net profit for 1949 amounted to $332,134, against $373,168 in 1948.

Following a special general meeting of shareholders in October, the company's electric business in Ontario and office building in Ottawa were sold to the Corporation of the City of Ottawa. They were taken over on Dec. 31, 1949 and this is reflected in the balance sheet, as is the redemption of the 5% preferred shares. On Jan. 30, 1950, the 4% sinking fund bonds were redeemed.

In March 1950, it was decided to wind up Ottawa Light, Heat & Power Co. and a new company, Interprovincial Utilities Ltd., was formed to take over the undistributable assets remaining after the sale, mainly the gas business and the electric business in Hull. Shares of the new company will be distributed share for share to holders of Ottawa Light, Heat & Power stock.

President F. E. Bronson reports that on May 3, 1950 A. M. Milne, C.A., was appointed permanent liquidator with the intention to distribute, at an early date, $20 per share and to complete distribution of the assets, including shares of Interprovincial Utilities Ltd., as soon as circumstances permit.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings	$1,098,233	$1,118,011
Less: Deprec.	391,800	373,400
Bond interest	148,599	148,763
Pr. for inc. tax	225,700	222,680
Net profit	332,134	373,168
Less: Pref. divds.	85,000	85,000
Common divds.	140,000	84,000
Surplus for year	107,134	204,168
Times Bond Interest Earned:		
Before deprec.	7.39	7.52
After deprec.	4.75	5.01
Earnings per Share and Dividend Record:		
Preferred	▪$19.54	$21.95
Paid	5.00	5.00
Common	1.77	2.06
Paid	1.00	0.60

▪Redeemed Dec. 31, 1949.

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash & Dom. bds.	$96,437	$1,557,928
Due re assets sale	7,788,758	......
Accts. rec.	494,133	203,862
Inventories	91,296	182,719
Total curr. assets	8,470,624	1,944,509
Misc. assets▴	6,728	50,900
Fixed assets*	♦542,832	5,804,063
Franchise, etc.	......	1,784,062
Total assets	9,020,204	9,583,534
Accts., etc., pay.	627,066	326,288
Taxes pay	192,066	105,856
Bond redempt.	3,788,790	......
Total curr. liab.	4,607,922	432,144
Funded debt	......	3,715,500
Capital stock	2,600,000	4,300,000
Capital surplus	439,011	......
Surplus	1,373,271	1,135,890
*After depr. of	•	4,125,558
▴Incl. ref. EPT	......	34,380

♦Fixed assets at Dec. 31, 1949, shown at book value.

Working capital	3,862,702	1,512,365

M. R. A. HOLDINGS LTD., Saint John, N.B., consolidated net profit, including that of Manchester Robertson Allison Ltd. for the year ended Jan. 31, 1950, Vassie-Brock-Manchester Ltd. for the eight months ended Aug. 31, 1949 and New Way Furniture Co. for the three months ended Jan. 31, 1950, totaled $278,378, down 20.7% from the previous year.

In line with long range policy of discontinuing wholesale operations and expanding retail operations, subsidiary Vassie-Brock-Manchester Ltd. was sold in August, 1949, providing funds for planned expansion in retail outlets.

A new subsidiary, New Way Furniture Co., was formed and stores opened in Fredericton and Saint John; since the year end, units have been opened in Charlottetown and Halifax under the name Macdonald Furniture Co. All four outlets are doing very well, reports President H Brooks.

Drop in earnings, states Mr. Brooks, is largely due to the loss of earnings of Vassie-Brock-Manchester Ltd. for the last four months of the period, when the new furniture outlets were only being organized.

CONS. INCOME ACCOUNT

Years Ended Jan. 31:	1950	1949
Net earnings	$501,128	$571,748
Less: Deprec.	46,183	32,148
Income taxes	176,567	188,561
Net profit	278,378	351,039
Less: Pref. divds.	50,754	32,923
Surplus for year	227,624	318,116
Earnings per Share and Dividend Record:		
Pref.	$5.57	$7.02
Paid	1.05	....
Paid (old)	....	1.37½
Common*	5.40	7.21
None paid.		

*After full year's new pref. divd.

CONDENSED CONS. BALANCE SHEET†

As at Jan. 31:	1950	1949
Cash & Dom. bds.	$677,341	$423,308
Accts. rec.	838,228	987,978
Inventories	596,292	885,729
Total curr. assets	2,111,861	2,297,015
Misc. assets♦	354,772	241,312
Prepaid exps.§	38,690	31,497
Fixed assets*	850,629	885,938
Goodwill	25,320	......
Total assets	3,381,272	3,435,762
Due, purch. of subsid.	59,408	......
Accts., etc., pay.	297,399	515,283
Taxes	86,104	129,507
Total curr. liabs.	442,911	644,790
Capital stock	1,650,000	1,650,000
Earned surplus♦	‡1,288,361	1,160,972
*After depr. of	394,184	444,829
♦Incl. ref. EPT	127,087	196,547

§Incl. in curr. assets in co's statements.
†Incl. accounts of Manchester Robertson Allison Ltd. and Vassie-Brock-Manchester Ltd. in 1949; Manchester Robertson Allison Ltd., New Way Furniture Co. Ltd. and MacDonald Furniture Co. Ltd. in 1950.
‡After deducting $106,123 loss on sale of Vassie-Brock-Manchester Ltd.

Working capital	1,6[illegible]950	1,652,225

MAGNET CONSOLIDATED MINES recorded a net loss of $38,895 in 1949, compared with one of $1,891 in 1948. A total of 22,262 tons were milled (average of 61 tons per day) from which were recovered 6,741 oz. gold and 764 oz. silver, for a total gross value (before cost-aid) of $245,718.

Development was largely confined to the Footwall Vein on the new levels established from the No. 1 winze, now extending from the 1,720-ft. level to the 2,160-ft. level. Diamond drilling since the year end has justified further sinking to add another four levels and President J. D. Smith reports that preparations for this are well advanced.

It was expected that by early summer the mill would be operating at its full rated capacity of 140 tons per day.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Bullion sales	$245,718	$287,267
Less: Oper. & gen. exp.	328,310	245,851
Oper. loss	82,592	*41,416
Less: Misc. inc.	7,741	2,055
Cost aid	35,956	8,838
Add: Deprec.	......	13,712
Invest. w/d	......	7,611
Prep. dev. w/o	......	32,877
Net loss & def.	38,895	1,891
*Profit.		
Earned per Share	d$0.013	d$0.0063
None paid.		

CONSOLIDATED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash & metal	$37,476	$25,506
Investments	15,538	28,215
Accts., etc., rec.	437	307
Cost aid	55,411	......
Inventories	41,214	55,372
Total curr. assets	150,096	109,400
Deferred chgs., etc.	14,913	14,250
Prep. dev.†	178,791	146,429
Mining prop.	128,257	128,257
Bldgs. & equip.*	93,721	75,705
Total assets	565,778	476,041
Total curr. liabs.	40,923	24,143
Capital stock	442,504	442,504
Earned surplus	82,351	9,394
†After amort.	491,440	491,440
*After depr.	389,316	389,315
Working capital	109,173	85,257

OPERATING STATISTICS

	1949	1948
Tons milled	22,262	21,140
Average recov.	$11.04	$13.59
Ore reserves, tons	3[illegible],872	†20,000
Grade ($35 gold)	$10.85	†$14.35

†As at June 1, 1948.

Staff Changes

Chartered banks announce the following staff changes:

Montreal:

J. A. BELL, formerly accountant, Owen Sound, to be manager, Bobcaygeon, Ont.

F. PAMENTER, formerly manager, Taber, to be manager, Edgerton, Alta.

A. C. T. DICKSON, formerly accountant, Leduc, to be manager, Killam, Alta.

M. G. GENGE, formerly accountant, White Rock, to be manager, Stewart, B.C.

G. O. VANDERVOORT, formerly manager, Killam, to be manager, Taber, Alta.

W. H. BELL, formerly manager, West Lorne, to be manager, Tillsonburg, Ont.

R. S. BODDY, formerly manager, Westlock, to be manager, Vegreville, Alta.

F. ROBERTS, formerly manager, Edgerton, to be manager, Westlock, Alta.

G. C. STEPHENS, formerly manager, Bobcaygeon, to be manager, West Lorne, Ont.

J. A. THEED, formerly manager, Gibsons, B.C., to be manager, Dawson, Y.T.

T. A. B. LARSON, formerly of superintendent's department, Vancouver, to be manager, Gibsons, B.C.

D. B. PETERS, formerly an assistant manager, Quebec, to be manager, Rideau Street, Ottawa.

A. J. ELLIS, formerly of superintendent's department, Calgary, to be an assistant manager, Quebec.

* * *

Nova Scotia:

R. H. A. COPPIN, to be manager, Twillingate, Nfld.

G. A. GRIFFITHS, to be manager, Ciudad Trujillo, D.R.

W. W. STUMPF, to be manager, Dundas & English, London, Ont.

R. LANGE, to be an assistant accountant, Santiago de Cuba, Cuba.

A. G. BAIRD, to be manager, Bridgen, Ont.

T. W. EVANS, to be manager, Kingston, Ja.

F. W. IRVINE, to be assistant manager, Ciudad Trujillo, D.R.

P. G. MARELS, to be assistant manager, Havana, Cuba.

E. D. HUNTER, to be accountant, Ciudad Trujillo, D.R.

J. J. WRIGHT, to be accountant, Streetsville, Ont.

* * *

Toronto:

J. C. BENNION, formerly accountant, Regina, to be manager, Rocanville, Sask.

T. MacDONELL, formerly attached to Western Department, Winnipeg, to be accountant, Regina.

W. L. BEALES, formerly accountant, Sherbrook & Westminster, Winnipeg, to be accountant, St. Boniface, Man.

N. E. F. McCLOCKLIN, formerly assistant accountant, Bloor & Royal York Rd., Toronto, to be accountant, Lansing, Ont.

G. H. GERRARD, formerly assistant accountant, Fort William, Ont., to be accountant that point.

J. W. RUNGE, formerly manager, Langenburg, Sask., to be manager, Vegreville, Alta.

W. BARLOW, formerly accountant, Welland, Ont., to be manager, Crowland, Ont.

Z. T. EUSTACE, formerly accountant, Calgary, Alta., to be manager, Garneau branch, Edmonton, Alta.

J. L. PORTZ, formerly accountant, Marwayne, Alta., to be accountant, Vegreville, Alta.

R. W. GORDON, formerly assistant accountant, Marwayne, Alta., to be accountant, that point.

J. S. ANDERSON, formerly accountant, Brockville, Ont., transferred to head office.

J. A. DERRY, formerly accountant, Orangeville, Ont., to be accountant, Brockville, Ont.

J. C. PENNINGTON, formerly accountant, West End Br., Windsor, Ont., to be accountant, Orangeville, Ont.

L. D. ARBOGAST, formerly assistant accountant, Main branch, Windsor Ont., to be accountant, Windsor-West, Ont.

A. F. RANGER, formerly accountant, Queen & Kenilworth, Toronto, to be assistant accountant Church & Wellington, Toronto.

D. L. MAGEE, formerly assistant accountant, Queen & Kenilworth, Toronto, to be accountant, at that point.

D. J. McLENNAN, formerly accountant, Armour Heights, Toronto, to be accountant, Eglinton & Winona Ave., Toronto.

J. J. ARMSTRONG, formerly accountant, Transcona, Man., to be accountant, Academy Road, Winnipeg.

* * *

Commerce:

J. H. C. HUGHES, assistant superintendent in the department of British Columbia branches, Vancouver, to be a superintendent, head office, Toronto.

J. F. GALBRAITH, an assistant inspector in the department of the superintendent of Alberta branches, Calgary, to be an assistant inspector, head office, Toronto.

A. C. JOHNSON, manager at St. Paul, Alta., to be an assistant inspector, dept. of the superintendent of Alberta branches, Calgary.

E. L. TAYLOR, inspector in the department of the superintendent of Maritime branches, Halifax, to be an inspector, dept. of sup't of Quebec branches, Montreal.

M. L. PARKER, formerly accountant, Hamilton, Ont., to be an assistant inspector, dep't of superintendent of Quebec branches, Montreal.

H. A. GORDON, inspector in the department of the superintendent of British Columbia branches, Vancouver, to be assistant superintendent, dept. of superintendent of B. C. branches, Vancouver.

R. D. ISAAC, an assistant inspector in the department of the superintendent of Quebec branches, Montreal, to be inspector, dept. of the superintendent of B. C. branches, Vancouver.

J. A. CALLIE to be assistant accountant, First St. W., Calgary.

J. P. HAYLOCK, formerly in charge of Glendon, Alta., to be manager, newly opened branch, Redwater, Alta.

GIANT YELLOWKNIFE GOLD MINES treated 12,754 tons of ore in May, recovering 8,038 oz. gold and 2,638 oz. silver, for a gross value of $311,577. Calculated mill heads averaged 0.70 oz. gold and average daily milling rate was 411.5 tons. The No. 3 shaft was advanced 113.5 ft. to 850 ft. below the collar and a station was cut at the 750-ft. level.

SHAWKEY (1945) MINES is arranging for a new head frame for the 1,000-ft. three-compartment shaft to be sunk 3,000 ft. south of the old workings. Mining plant is being dismantled to move to the new site and a contract has been arranged for the deep work. First level will be cut at 250 ft. and thereafter at 150-ft. intervals.

BANK OF CANADA

	June 14 1950 $	June 7 1950 $
Liabilities		
Capital paid-up	5,000,000	5,000,000
Rest fund	10,050,366	10,050,367
Notes in circ.	1,272,414,338	1,275,921,259
Deposits:		
Govt. of Can.	53,474,784	68,610,204
Chart. banks	541,683,352	531,231,751
Other	210,565,587	209,477,344
Total deposits	805,723,723	809,319,299
Liabs. payable in sterling, U.S.A. & foreign gold currencies:		
(a) to gov. of Can.	103,667,983	115,842,547
(b) to other	26,766	26,766
Total	103,694,749	115,869,313
All other liabs.	21,125,894	28,856,170
Total liabs.	2,218,009,070	2,245,016,408
Assets		
Foreign Exchange:		
Sterling & U.S.	98,194,749	110,369,313
Other curr.	101,527	100,771
Total	98,296,276	110,470,084
Subsid. coin	413,554	365,208
Gov. sh. term	1,692,366,089	1,687,724,338
Oth. gov. sec.	370,978,426	373,391,061
Other sec.	5,500,000	5,500,000
Total invest.	2,068,844,515	2,066,615,399
Total share cap. at cost	25,000,000	25,000,000
Premises	4,431,853	4,429,463
All other assets	21,022,872	38,136,254
Total assets	2,218,009,070	2,245,016,408

ISLE OF PINES MINING CO. reports that its main ore shoot on the 325-ft. level now shows a length of 588 ft., averaging 0.76 oz. gold and 5.2 oz. silver per ton over 3.7 ft. One raise from the third to the second level has been completed and two others are up about 80 ft.; all are in continuous ore. Main shaft is to be deepened for at least one level, at 450 ft. Milling is now at 80 tons daily, with a 90-ton rate the immediate objective. It is hoped to boost tonnage to the 110-115 range in four months, with 150-175 tons a day the final objective.

CONSOLIDATED LEBEL ORO MINES reports that, by agreement dated June 12, Elaine Agency Ltd. underwrote 250,000 shares at 10c a share and optioned 550,000 shares at 15c to 30c a share.

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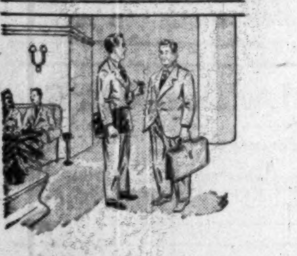

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Life Insurance Winners SECOND PRIZE

Costigane and the Salesman

Jack Costigane, C.L.U., winner of second prize in The Financial Post life insurance program contest, is Divisional Manager of the Confederation Life Association at London, Ont.

A Scot by birth, he is 40 years of age; has been with the Confederation Life 19 years, in various capacities, having started as a clerk in the premium loan section. His experience includes two years as special representative, traveling across Canada; two years as branch manager at Peterborough, Ont., and two years superintendent of field service, at head office; has been in present position also for two years.

By JACK COSTIGANE
Confederation Life, London, Ont.

How much and what kind of life insurance should a married man with no children and an income of $12,000 carry?

Should he depend on his personal friends for advice?

These are questions which often occur to individuals seeking security for themselves and their families.

In response to the request of The Financial Post in its contest closed April 30, that underwriters outline what they consider their outstanding proposal, Jack Costigane, Confederation Life, London, Ont., tells how he first analyzed the circumstances of a prospective buyer and then showed what insurance was necessary to do the job. He picked this case particularly, because it shows the danger of taking advice from persons not properly qualified.

Entries of the third prize winner and those who won honorable mention will follow in later issues.

The following program was arranged to meet the needs of a successful salesman aged 31, who has been married for two years but as yet has no children. His wife, aged 29, is solely dependent on her husband's income for support.

In spite of the husband's income of approximately $12,000 annually, they live well, but not extravagantly, in a rented apartment. However, their plans for the future include the purchase of a home for which they will pay cash. The purchase price is being accumulated by means of a regular savings plan in government bonds.

This man has not earned less than $8,000 in any of the last four years since his discharge from the armed forces and his prospects for the future are excellent. He is selling a nationally advertised line in an exclusive territory and the results he is getting could easily lead to promotion within the organization.

Every program case is interesting to the underwriter performing this type of service because of the great variety of problems that must be answered. However, this case was deliberately chosen from many completed programs because it is a perfect example of the danger of an insurance buyer having a close friend or relative in the insurance business who is not prepared or qualified to give good service. It is also a lesson to all insurance underwriters who feel that they have a close friend or relative who would not buy his insurance from anyone else in spite of what service is offered.

Facts in the Case

The contact with this client was made at a golf course. During a casual conversation he mentioned how good business had been and was immediately warned what he was saying was music to an insurance man's ears His reply was to the effect that he had a very close relative in the insurance business from whom he purchased all his insurance. However, a few questions uncovered these facts:

(a) He had not changed his will since his marriage.

(b) He could not remember if the beneficiary had been changed on his insurance policies.

(c) He did not know how much income his policies would pay his wife in the event of his death nor how much income he would receive if he lived to retirement.

(d) His present policies were high premium retirement plans with a minimum of insurance protection per premium dollar, purchased when he was single.

When it was explained how difficult his wife's position would be in the event of his death with his affairs in their present condition he accepted my offer to act in an advisory capacity. It was understood, in spite of any service which might be given, he would still be free to purchase his future insurance wherever he desired.

In due course an interview took place in the client's apartment with both him and his wife present. After many questions and some discussion it was decided that their minimum requirements to be taken care of were as follows:

In the Event of Death

(a) A lump sum fund of $2,000 to pay last expenses, outstanding debts and create a small emergency reserve fund.

(b) A life income for the wife of at least $150 per month.

In the Event of Total Disability

(a) Premiums to be waived on all policies.

(b) A minimum safety valve income of $100 per month.

In Event of Retirement at Age 60

(a) Paid-up insurance for at least $2,000 to take care of final expenses, outstanding debts, etc.

(b) A life income of at least $175 per month.

Present Insurance

The client's present insurance program consisted of four policies as follows:

Plan	Protection	Extra Benefits	Prem'm
(1) 20 Payment Life	$1,000	None	$ 24.60
(2) 20 Payment Life	1,000	None	32.44
(3) Insurance Pension $33.22 per Mo. at Age 60	3,322	None	120.00
(4) Deferred Annuity $33.34 per Mo. at Age 60	Return of Premiums or Cash Value—$240 at present	None	120.00
Total	$5,562		$297.04

After careful discussion the client suggested he could reasonably save an additional $75 per month to bring his insurance commitment up to approximately 10% of his income.

Existing Insurance

A close examination of the client's insurance revealed that it would be possible to meet his desire for a permanent lump sum fund by leaving the proceeds of the two 20 Payment Life policies and the deferred annuity payable to his wife as cash. The deferred annuity was brought into the lump sum fund so that this fund would increase gradually each year to allow for any possible Succession Duties which might be payable if this client's estate exceeded $50,000 at the time of his death.

The Insurance Pension which remained for $3,322 was sufficient to pay the wife $10 per month for life.

There was no provision for disability protection, either waiver of premium or monthly income.

For retirement purposes the policies would provide a life income at age 60, of $66.56 per month plus $2,000 paid-up insurance.

In short, the problem was to find some policy, or combination of policies, which would make up the difference between what the client's present insurance would provide and what he desired to have as a minimum program. The new insurance must therefore provide a life income of at least $140 per month for his wife in the event of his death. It must also provide a waiver of premium benefit plus an income of $100 per month in event of total disability. Finally the new insurance should guarantee a life income of at least $110 per month at age 60 for retirement. The premium for the new insurance must not exceed $900 per annum.

Solution of Problem

The solution of this problem was the suggested purchase of two policies on the All Life plan. One to be for $10,000 with a total disability income benefit and the other for $40,000 with a waiver of premium total disability benefit.

In the event of the client's death these two policies would provide his wife with $150.50 per month for life guaranteed 10 years certain. In event of total disability, the insured would have the premiums waived on both policies plus a monthly income of $100 until age 65 and then $10,000 in cash. The policies would also provide a choice of $22,450 in cash or $123 per month for life at age 60. The total premium of $869 leaves sufficient leeway to add the Waiver of Premium disability benefit to all existing contracts and still stay within the maximum figure of $900.

These two policies were chosen deliberately for several reasons:

1. The policies supplied a complete answer to the client's present needs at the lowest premium. However, if there is an addition to the family, the wife can be given an extra $100 per month by adding a Family Protection Benefit to the $10,000 policy.

2. If the client reaches age 60 and does not wish to retire he could use the income from his two Retirement Income policies, which mature at age 60, to pay the premiums on his $50,000 All Life. If this were done until age 65 he could retire on a total income of $231.50 per month instead of $189 he would receive at age 60.

3. If the client is wealthy when he reaches age 60 and does not wish to disturb his protection he can maintain the $50,000 policy in force as long as he desires.

4. If, at some time in the future, it is not economically possible for the client to continue the full program he can select a fully paid-up policy for the reduced amount at the end of any year after the third. This may be done for one or both policies depending on circumstances.

5. The issue of two separate contracts leaves the client in a more flexible position if he has to assign a policy to the bank for business reasons. He would not be forced to disturb the full amount of his wife's income if a $10,000 policy would satisfy the bank.

The Finished Picture

In Event of Death

(a) A lump sum fund of $2,240 which will gradually increase each year.

(b) A life income for the wife of $160.50 per month, guaranteed 10 years certain. This income will gradually increase as the wife's age increases for each year that passes before her husband's death.

In Event of Total Disability

(a) Premiums waived on all policies.

(b) An income of $100 per month during disability until age 65 and then $10,000 in cash.

N.B. To qualify for these benefits the insured must be disabled for six months and disability must occur before age 55.

In Event of Retirement at Age 60

(a) Paid-up insurance of $2,000 to meet last expenses.

(b) A life income of $189 per month or $33,554 in cash.

(c) An optional income at age 65 of $231.50 per month.

Supplementary Service

After explaining this program to the insured and leaving him a permanent record of it in a leather bound book I performed the following services.

1. Introduced the client and his wife to a lawyer who drew up their wills.

2. Looked after beneficiary changes in his present insurance.

3. Obtained, and assisted the client to complete, the form required to have the proceeds of the Insurance Pension policy paid to his wife as a life income.

4. Left instructions that if there was an addition to the family he should add a Family Protection clause to the $10,000 All Life policy and change the life income payable to his wife from a 10 to a 20 year guarantee.

This is a simple little story and a simple program but it already has a happy ending for me, because I was awarded the full amount of the new insurance as a reward for service. I also have the guarantee that no matter what happens in the future, someone's life is going to be happier and more secure because of my efforts.

How The New Insurance Test For No-Par Stocks Operates

How can you determine, under the new tests, whether a no-par-value common stock is an eligible investment for a life insurance company?

The old act permitted investment in the common stocks of any corporation on which regular dividends of at least 4% per annum or in the case of no-par-value stocks of at least $4 per share per annum had been paid for the seven years immediately preceding the purchase of such stocks.

The new act authorizes purchase of fully paid up stocks only. The expression "regular dividends" has been dropped being of uncertain meaning. No-par shares are now placed on an equal footing with par value shares, in that the dividend requirement proposed for each is at least 4% of the value at which the shares are carried on the books of the corporation. This is considered more significant than the former $4 requirement on no par value stocks.

Here's how to determine whether a no-par stock is eligible: Take the total value of dividends paid on the shares each year for seven years back. Work out the percentage it bears to the book value of the no-par-value stock on the books of the corporation. The act says "average" book value during the dividend year. For illustration, the book value of the common stock in the year end balance sheet is taken.

The two stocks shown below have had a steady dividend record but were previously ineligible because the dividend in each case (under stock splits, etc.) was under $4 a share and thus, because they were no-par stocks, they were ineligible. Both companies have substantial surpluses which actually belong to the shareholders. If this were added to the book value of the no-par shares, the percentage of returns would be much smaller than shown in the table.

Percentages are taken to the nearest whole figures.

OGILVIE FLOUR

	1949	1948	1947	1946	1945	1944	1943
Book value of no-par common shares ...	$2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
Dividends paid	$600,000	600,000	600,000	600,000	600,000	600,000	600,000
% of dividends to book value of no par stock	24	24	24	24	24	24	24

PAGE-HERSEY TUBES

	1949	1948	1947	1946	1945	1944	1943
Book value of no par common shares ...	$6,249,671	6,249,671	6,249,671	6,249,671	6,249,671	6,249,671	6,249,671
Dividends paid	$1,247,812	1,144,173	1,003,780	892,384	866,067	865,536	862,943
% of dividends to book values of no par stock	20	18	16	14	14	14	14

JOY MANUFACTURING CO. (CANADA), Galt, Ont., has acquired manufacturing rights for Canada for Buckeye portable air tools, according to J. A. Drain, vice-president and general manager. Joy makes construction, industrial and mining machinery. Separate sales and service division to handle pneumatic and high-frequency portable power tools will be headed by William N. Findlay, will co-operate with Joy's nationwide organization in manufacture and distribution of Joy-Buckeye tools.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

NATIONAL GROCERS CO. net profit of $713,027 for the year ended March 31, 1950, was down 9.1% from the previous year. Although sales were higher, reports President H. L. McNally, this was offset by a substantial increase in operating expenses. A bigger drop in net earnings was avoided by operating with a much lower inventory, resulting in a more rapid turnover and elimination of bank interest charges.

During the year, keen competition for increased sales at cut prices prevailed.

Inventory reserve represented about 16½% of inventory value as of April 1, 1950.

INCOME ACCOUNT

Years Ended Mar. 31:	1950	1949
Net earnings	$1,491,099	$1,530,471
Less: Deprec.	264,645	223,868
Int. (net)	......	12,867
Inc. tax res.	513,427	504,000
Net profit	713,027	784,736
Less: Pref. divds.	214,747	214,860
Common divds.	236,682	236,682
Surplus for year	261,598	333,194
Earnings per Share and Dividend Record:		
Pref.: Earned	$4.98	$5.48
Paid	1.50	1.50
Com.: Earned	1.68	1.93
Paid	0.60+0.20	0.60+0.20

CONDENSED BALANCE SHEET

As at Mar. 31:	1950	1949
Cash & Dom. bds.	$1,172,526	$185,650
Accts. rec., etc.	2,335,434	2,134,022
Inventories	4,337,319	4,857,188
Total curr. assets ..	7,845,279	7,176,860
Refund. EPT	167,767	241,990
Prepd. & def. chgs.▲ .	75,216	84,855
Fixed assets‡	2,234,031	2,348,921
Total assets	10,322,293	9,852,626
O/s cheques	......	310,902
Accts. & taxes pay. ..	2,883,470	2,360,960
Other accr. liabs.	85,665	91,453
Total curr. liab.	2,969,135	2,763,315
Conting. res.	250,000	250,000
Capital stock	3,159,152	3,160,652
Surplus	3,944,006	3,678,659
‡After depr. of	1,943,264	1,721,381
▲Incl. in curr. assets in co's report.		
Working capital	4,876,144	4,413,545

SYLVANITE GOLD MINES, aided by the increase in the price of gold and the resumption of dividends by the subsidiary Delnite Mines, recorded a net profit of $377,977 in 1949, 11c a share compared with 6.9c in 1948.

During the year, 171,442 tons were milled (167,440 in 1948), producing a total of $1,738,605 ($1,565,035). Average recovery was .28 troy oz. gold per ton and operating costs totaled $8.38 per ton. Mill averaged 469.7 tons daily, up slightly from 1948.

President and Managing Director W. V. Moot notes that the company owns two-thirds of the outstanding Delnite stock and states that, while Delnite is now engaged on a $400,000-$500,000 two-year shaft sinking program that will limit dividends for a time, it is expected that the new lower levels will open up better ore than yet developed.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Bullion prod.	$1,738,606	$1,565,036
Less: Oper. exps.	1,437,085	1,342,991
Net oper. earnings ...	301,521	222,045
Add: Int., etc.	62,201	11,025
Est. Cost-Aid	116,428	93,937
Total net earnings	480,150	327,007
Less: Deprec.	17,477	15,744
Explor. w/o	12,503	28,913
Taxes res.	84,696	53,550
Net profit	365,474	228,800
Less: Divds., etc.	280,457	197,970
Surplus for year	85,017	30,830
Earned per Share	$0.11	$0.069
Paid	0.08½	0.06

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash & bullion	$410,149	$422,519
Accts., etc., rec.	11,790	11,036
Est. Cost-Aid	47,000	37,500
Bonds & debents.	784,406	581,781
Mat. & stores	158,873	189,317
Total curr. assets ...	1,412,218	1,242,153
Prep. & def. chgs.† ..	5,661	9,613
Def. expend.	89,404	89,420
Shs. & adv., sub.	1,903,803	1,882,974
Claims & props.	1,401,146	1,401,146
Plant & equip.▲	42,224	46,602
Total assets	4,834,456	4,671,908
Accts., etc., pay.	265,251	195,719
Taxes reserve	57,000	29,000
Total curr. liab.	322,251	224,719
Conting. reserve	750,000	750,000
Capital stock	2,383,000	2,383,000
Surplus	1,399,205	1,314,189
▲After depr. of	1,210,770	1,200,754
†Included as current assets in co's report.		
Working capital	1,089,967	1,017,434

OPERATING STATISTICS

	1949	1948
Tons milled	171,442	167,440
Average recov.	$10.14	$9.35
Broken ore reserves, tons	71,157	37,855

LADULAMA GOLD MINES reports that Wilson River Mining Syndicate Ltd. has underwritten another 199,995 shares at 70c a share.

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INCOME TAX

Charitable Donation

I am planning to make a substantial contribution this year to a local recreation centre including swimming pool, etc. Will such a contribution as this be accepted as a deduction from income for income tax purposes?

You would be wise to take up the matter with the income tax department in your district. The department is now much stricter than it was about the type of charitable or similar contributions allowed as deductions for income tax purposes. There is a form T-511 which you get from the income tax office showing the nature of the enterprise, etc., and on this you submit your application to the authorities, for their decision.

INVESTMENTS

Redwater Petroleum

Some time ago, I bought 500 shares of Redwater Petroleum at 35c a share. Following this, the market dropped as low as 4c a share and I picked up another 1,000 shares at 5c. Lately, the price of this stock has risen considerably and I am curious to know in what way the company's position has been improved.

Market interest in shares of Redwater Petroleum Ltd. has sharpened considerably recently due to two or three factors.

The company holds 880 acres in the Stoney Plains-Woodbend area, Alberta. A mile to the south a well is currently being drilled which, if successful could have an important bearing on this acreage.

In the Bruderheim-Simmons area Redwater Pete owns leases on eight quarter sections (1,279 acres). This ground is in the southern portion of the Redwater field, approximately 1¼ miles south of the field's nearest producing well. Recently it was announced a well offsetting Redwater Petroleum acreage would be drilled by another company. If this were successful, the company's adjoining property would become quite valuable.

It therefore appears that the greater market interest and higher price is a reflection of the possibilities that Redwater Pete's acreage might be "proved up" by the wells now drilling close by.

Upper Canada

Would you please give me particulars on Upper Canada Mines, including its resources, future prospects for market appreciation, etc.

As Upper Canada Mines earned last year only 4.8c a share, it appears that the present market is discounting a large-scale expansion of operations and creation of a much higher level of earning power. Considerably higher prices than at present prevailed earlier in the year and we rather gather that the announcement of President R. R. Brown at the annual meeting that additional financing would be necessary has quieted interest in the company's shares for the present.

Enough work has now been done on the new north zone to demonstrate that this is a major addition to ore resources and it appears to fully warrant the management's plans for increasing milling capacity to 900 tons daily from 400. To the end of April, work on two levels had demonstrated about 800 tons of ore per vertical foot in the new "B" ore body, with a great deal of work still to be done to get the over-all picture both as to tonnage and grade.

The new zone appears likely to contain large lenses of ore and relatively low mining costs are anticipated due to the large widths of ore involved. Management does not issue estimates of ore reserves but, from data available, the company's ability to increase its earnings power appears pretty definite, although some time must elapse before it can accomplish its over-all program.

Cockshutt Plow

Please give me some information on Cockshutt Plow Co.

Cockshutt Plow Co. common stock is currently selling about $16.75 a share where it yields about 8.36% on the basis of its $1.40 annual dividend rate. The stock has had a 1950 high of $17.50 a share and a low of $15½ a share and in 1949 had a high of $17⅞ a share and a low of $11 a share.

Capitalization outstanding at Oct. 31, 1949, consisted of $4,875,000 first mortgage bonds and 427,240 no par value common shares.

Earnings per common share have been $4.85 for the year ended Oct. 31, 1949, $4.83 for the 11 months ended Oct. 31, 1948, $2.30 for the year ended Nov. 30, 1947, and $1.14 for the year ended Nov. 30, 1946. The present dividend rate of $1.40 a share payable quarterly was established this year. The dividend rate in 1949 was 80c. per share per year. Previously 50c. per share per annum was paid regularly semi-annually Dec. 18, 1941, to Dec. 1, 1948, inclusive.

Sales for the first six months (to April 30) of the current fiscal year are lower than during the corresponding record-breaking 1949 period, President C. Gordon Cockshutt stated in an interim report. Two important factors contribute to this:

(1) The supply of farm machinery has caught up with the demand so that farmers are no longer taking machinery in advance of actual needs.

(2) Due to change in the company's accounting system, comparison of operations with results during the same period a year ago is not equitable.

Estimated earnings after taxes, computed on the basis demanded by the Government for income tax purposes, amount to $625,487 or $1.45 a share, Mr. Cockshutt stated. According to company records, however, profits for the period, after estimated taxes amount to $95,007 or 22c. a share, he added.

"Under our present system of accounting, profits are only recorded in our accounts after actual payments have been received and not upon shipment of goods to local dealers. The company believes, as it views the future, that this is a sounder and more conservative method of accounting and has decided to adopt it. Under our present system the profit on the preponderance of annual sales will be recorded during the second half of the year, thus closing the gap between the profits established by the company and under the procedure followed by Income Tax authorities," Mr. Cockshutt explained.

(Earnings after taxes for the six months to April 30 of the 1948-49 fiscal year were estimated at $1,039,141, equivalent to $2.43 a share in last year's interim report.)

In the domestic market farmers continue to take advantage of the Farm Improvement Loans Act in financing their requirements. The export trade outside of North America is still restricted owing to shortage in dollars. Sales are being made through ECA in about the same volume as a year ago, Mr. Cockshutt said.

While the unprecedented high volume of 1949 will not be reached, authoritative forecasts indicate continued substantial buying of machinery by farmers. Both sales and price competition will, however, be stronger in the future, he stated.

Working capital amounted to $14,255,888 at April 30, 1950. It amounted to $14,267,648 at Oct. 31, 1949, up from $12,639,416 at Oct. 31, 1948, and substantially higher than its figure of $4,925,780 at Nov. 30, 1946.

At the company's annual meeting last January, shareholders were cautioned not to expect a continued high volume of sales. Backlog demands which arose during the war have now been largely fulfilled, dealer inventories have increased and the industry is now on practically a normal competitive basis, it was stated then.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

GODERICH ELEVATOR & TRANSIT CO., Goderich, Ont., shows a net profit of $131,049 for the year ended March 31, 1950, against $82,338 in the previous year. Operating revenue from handling grain was $510,115; operating expenses totaled $299,168, up from $255,565 chiefly due to repairs to docks and depreciation of capital assets.

Grain stocks were down to about 219,000 bushels at the opening of the 1949 navigation season but by August the elevator was almost filled, reports President G. L. Parsons. This condition prevailed to the close of navigation. Total received was 20,643,353 bushels, of which 88.74% was for domestic distribution and 11.26% for export.

"While navigation opened later than usual this year, grain is now being delivered steadily and, given favorable crop conditions, prospects are for an average year.

INCOME ACCOUNT

Years Ended Mar. 31:	1950	1949
Operating rev.	$510,115	$376,852
Less: Oper. exp.	262,492	223,739
Add: Other income	11,402	13,426
Net earnings	259,025	166,539
Less: Depr. & amort.	36,169	31,336
Life ins. prem.	507	490
Inc. tax res.	93,000	52,500
Add: Assets sale	1,700	125
Net profit	131,049	82,338
Less: Dividends	84,006	84,006
Surplus for year	47,043	†1,668

†Deficit.

Earnings per Share and Dividend Record:		
Common	$1.56	$0.98
Paid	1.00	1.00

CONDENSED BALANCE SHEET

As at Mar. 31:	1950	1949
Cash & Dom. bds.	$448,189	$429,446
Elev. & stor. chgs.	37,225	31,531
Life ins., c.s.v.	62,673	59,216
Total curr. assets	548,087	520,193
Deferred charges▲	41,348	48,659
Fixed assets*	978,416	958,156
Total assets	1,567,851	1,527,008
Total curr. liab.	74,738	105,490
Capital stock	933,400	933,400
Appraisal surplus	131,181	131,181
Earned surplus	428,532	356,937
*After depr. & w/o	952,672	1,035,485
▲Incl. ref. EPT	29,718	36,900
Working capital	473,349	414,703

INTERNATIONAL COAL & COKE CO., Coleman, Alta., 1949 net profit of $182,248 was up sharply from $52,300 in 1948. The smaller percentage of lost days, increase in production and satisfactory labor relations all contributed to the excellent year's result, states President H. A. Howard. Production totaled 535,281 tons, compared with 401,538 tons in 1948.

"The continued increase in potential oil and gas production in the Province and the resultant probable conversion of railway locomotives from coal to oil consumers still leave the future obscure."

A new contract with U.M.W.A. shows little change except that it runs for two years.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings	$430,661	$164,997
Less: Deprec.	84,104	41,611
Depletion	55,196	41,875
Income taxes	109,113	29,211
Net profit	182,248	52,300
Less: Dividends	90,000	90,000
Surplus for year	92,248	■37,700

■Deficit.

Earnings per Share and Dividend Record:		
Common	$0.061	$0.017
Paid	0.03	0.03

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$269,489	$42,391
Investments*	989,405	834,231
Accts. rec.	262,985	272,953
Inventories	109,542	20,079
Total curr. assets	1,631,421	1,169,654
Invest. in subsids.	1	1
Misc. assets▲	12,831	271,684
Fixed assets■	2,214,843	4,497,827
Total assets	3,859,096	5,939,166
Accts. & tax. pay.	94,107	104,015
Other curr. liab.	105,395	106,812
Total curr. liab.	199,502	210,827
Uncl. divds. pred. co.	......	2,954
Reserves	96,551	2,262,095
Capital stock	3,000,000	3,000,000
Capital surplus	270,000	311,520
Earned surplus	293,043	151,760
■After depr., depl.	2,317,046	......
*Market value	995,064	830,161
▲Incl. ref. EPT	3,426	3,426
Working capital	1,431,919	958,827

HARRY PRICE INSURANCE AGENCIES LIMITED
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NATURE UNSPOILED

YOURS TO PROTECT
The CATBIRD is a tireless and persistent singer. His disjointed medley of warbles, whistles and chuckles may be heard in thickets everywhere. Living on insects and wild fruit, he should be protected. He's grey, with a long tail and a black cap.
YOURS TO ENJOY
CARLING'S
THE CARLING BREWERIES LIMITED
WATERLOO, ONTARIO
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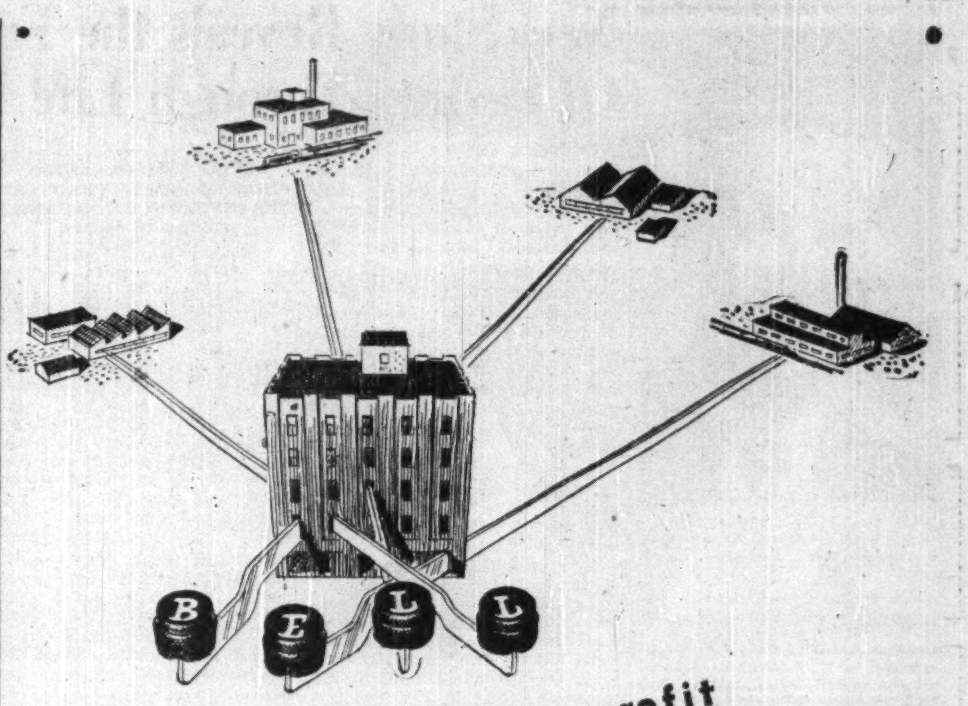
Can. Tire Corp. Sales, Profit Up

Sales of Canadian Tire Corp. are 20% ahead of those for the same period of last year, President J. W. Billes told shareholders at the annual meeting. The company will try to absorb any price increase on goods for manufacturers, Mr. Billes said.

Earnings are following the sales pattern, The Financial Post understands. In the year 1949 the net profit totaled $498,281, equivalent to $4.98 a common share.

The company is closing down its retail units in some small places and opening up others in larger centres, Mr. Billes said. At present it has 116 retail outlets in operation and expects to open three more in the next month. The company's program is to open 20-25 new retail outlets a year over the next five or six years, he said.



Four keys to greater profit

BELL TELETYPE gives you four important advantages that help your business to more efficiency and higher profits:—

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• *Speed* — your teletype message gets there in an *instant*. That means quicker action, faster service to customers.

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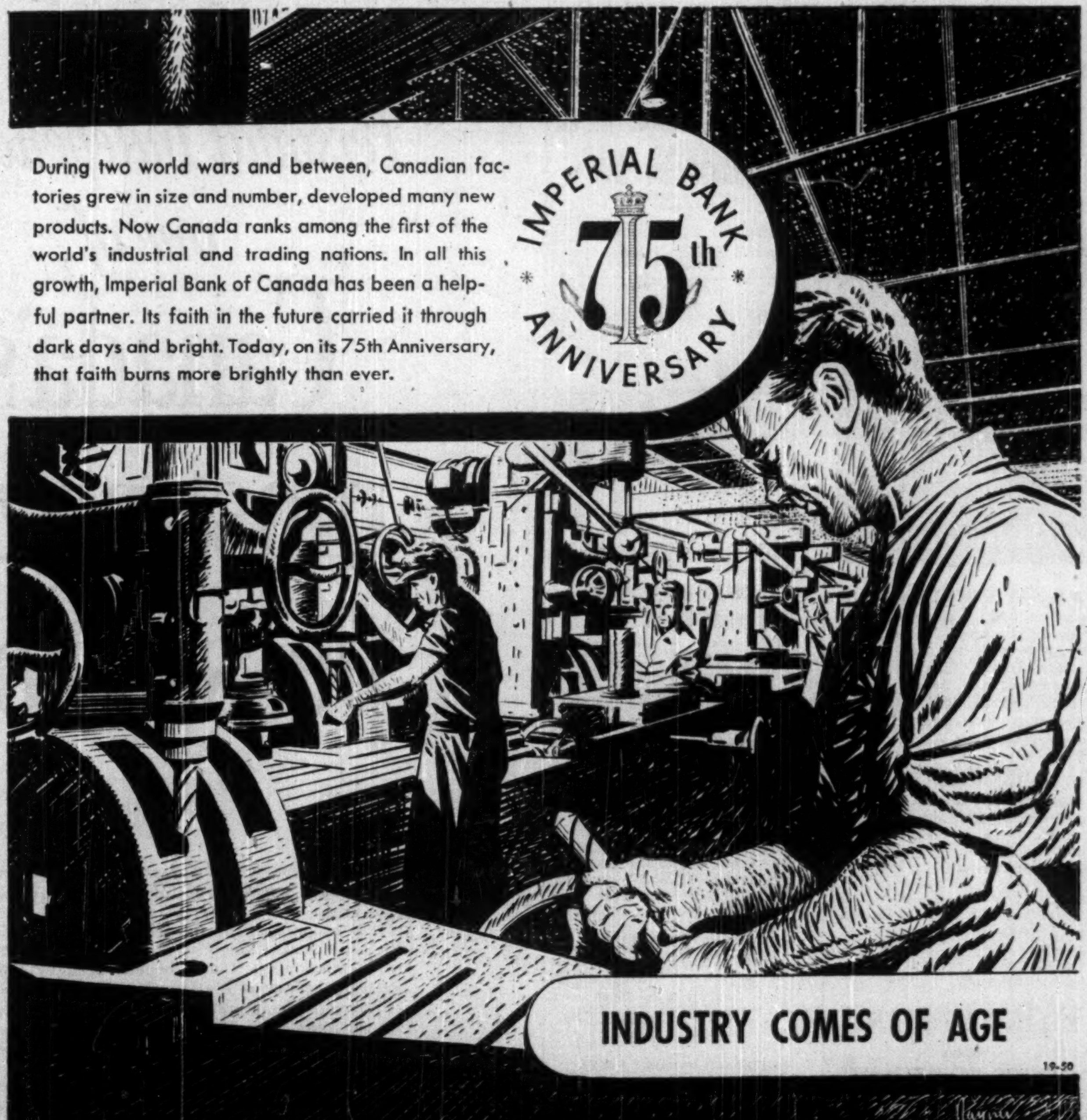


Yours for Service
IMPERIAL BANK
OF CANADA

Eastern Steel Products Limited announce the recent appointment of Ralph E. Bates as Sales Manager, Automotive Department.

Prior to his appointment, Mr. Bates was manager of one of Eastern Steel's distributors. Before the war, and for a short time afterwards, he was truck sales supervisor for W. D. Beath & Son, Limited, an Eastern Steel subsidiary company. Mr. Bates will be located in the Company's Toronto office at 394 Symington Ave.

PROVINCIAL ROUNDUP

This regular feature supplies pithy provincial news of importance to all businessmen. Good background material for your trips and correspondence.

THE FINANCIAL POST—$6 A YEAR

New Study Reveals the Full Extent Of Savings Through Life Insurance

OTTAWA (Staff) — New information on the extent to which Canadian policyholders save money through life insurance is now available through studies of the national income and the national accounts.

According to these studies, made officially by the Central Research and Development Staff of the Dominion Bureau of Statistics, approximately $2,500 million has been saved by Canadian policyholders through life companies in the 23-year period 1926-48.

Year-by-year details of these savings are shown in an accompanying table. Information on 1949 savings will not be available until later this year.

As revealed in the new study of national accounts, the money which Canadian policyholders save through life insurance represented in 1948, 20% of all personal saving in Canada. In that year, the estimated total of all personal saving in this country was $968 millions. Of this total, $197 millions was through life insurance.

In 1947, the proportion of saving through life insurance was substantially higher — about 42%. This was because of the fact that saving through life insurance was maintained at an increasingly high rate since and during the war, whereas there have been considerable fluctuations in other forms of personal savings. (In 1947, total personal saving was $428 million of which $181 millions was through life insurance).

Arriving at Figures

Details of how these new estimates of life insurance saving have been obtained are shown in the new official publication: "National Accounts, Income and Expenditure." The comment is as follows:

"Life insurance companies are regarded as 'associations of individuals' for national accounts purposes. The savings of such companies are, therefore, treated as part of personal saving. The savings of life insurance companies in any year are defined as receipts minus disbursements. To estimate savings of Canadian policyholders care must be taken to include only savings which arise from business transacted in Canada and, in the case of stock companies, to adjust for funds accruing to shareholders.

"The receipts of life insurance companies may be divided into two parts: receipts from policyholders and investment income. With minor exceptions, the figure for investment income is identical with that employed in the national accounts. One adjustment which should be noted here is that interest earned by pension funds of employees of Canadian life insurance companies is deducted from investment income in the savings estimate, as it cannot be considered income accruing to policyholders. Receipts from policyholders include the following items: Net Premium Income, Consideration for Annuities, Consideration for Sinking Funds, Consideration for Settlement Annuities, and Amounts left with the Company at Interest. Also included under receipts are decreases in policy loans, as such decreases constitute savings on the part of policyholders, while increases of policy loans are a form of dis-saving, and are hence deducted.

"The disbursements may also be divided into two parts: claims paid to policyholders and total expenses paid. Increases in the accrued expense liabilities for salaries, commissions, medical and legal fees, and taxes are included with disbursements. Claims include: Total Disbursements under Insurance and Annuities Contracts and Miscellaneous Payments under Contracts.

Business in Canada

"In the case of Canadian companies only that portion of these items which arises from business in Canada is included. For certain of these items the separation between 'in Canada' and 'out of Canada' is made by the companies themselves, while for other items estimates of the 'in Canada' portion have to be made.

"The above method of estimation applies only to Dominion registered companies. As information on provincially registered companies is not available in such detailed form, a somewhat different method of estimation is employed. The savings estimate for provincially registered companies is derived by taking the resultant of their net premiums plus their investment income (as estimated for the national accounts) minus their net claims and expenses (as estimated for the national accounts) and applying thereto the ratio which savings of Dominion companies, as calculated by the more detailed method described above, bear to the savings of Dominion companies as calculated by the method described in this paragraph.

"These estimates do not include data on Fraternal Benefit Societies."

All data for the estimates were obtained from Volume II of the Annual Report of the Superintendent of Insurance for Canada.

SAVINGS OF CANADIAN POLICYHOLDERS THROUGH LIFE INSURANCE COMPANIES (millions of dollars)

Year	Candn.	—Dom. Reg.— U.K. and Foreign	Prov. Reg. Cos.	Total
1948	136	56	5	197
1947	119	57	5	181
1946	132	49	5	186
1945	124	49	4	177
1944	120	48	4	172
1943	112	47	2	161
1942	87	38	1	126
1941	78	30	1	109
1940	60	25	1	86
1939	62	20	1	83
1938	63	23	1	87
1937	61	24	1	86
1936	64	24	1	89
1935	55	25	1	81
1934	48	23	1	72
1933	29	17	0	46
1932	12	16	0	28
1931	37	25	1	63
1930	43	29	1	73
1929	51	29	1	81
1928	63	31	1	95
1927	54	28	1	83
1926	51	25	1	77

THE ALLIANCE INSURANCE COMPANY OF PHILADELPHIA

Notice is hereby given that The Alliance Insurance Company of Philadelphia, having ceased to carry on business in Canada and having reinsured its liabilities in Canada as of June 30, 1950, in the Insurance Company of North America which is registered under The Foreign Insurance Companies Act, 1932, as amended, to transact business in Canada, will apply to the Minister of Finance for the release on the 21st day of August, 1950, of the securities on deposit with the Minister of Finance; and that any Canadian policyholder opposing such release should file his opposition thereto with the Minister of Finance, Ottawa, on or before the 21st day of August, 1950.

Dated at Toronto, Ontario, this 15th day of May, 1950.

H. C. MILLS,
Chief Agent for Canada

NOTICE

NOTICE IS HEREBY GIVEN that SCOTTISH CANADIAN ASSURANCE CORPORATION has arranged for an extension of its powers and has received from the Department of Insurance, Ottawa, Certificate No. C1231 authorizing it to transact in Canada the business of Earthquake Insurance, limited to the same property as is insured under a policy of fire insurance of the company, in addition to the classes for which it is already registered.

DOUGLAS B. HALL,
General Manager.

Canadians Buy More Insurance

Purchases of new ordinary life insurance in Canada in April totaled $107.1 millions, an increase of $4.2 millions or more than 4%. All provinces but Manitoba shared in the gain. Sales of new industrial life insurance during the month totaled $14.4 millions, while group life insurance sales were $8.3 millions.

The figures are based on data supplied by the 50-odd British, United States and Canadian companies doing more than 99% of the business in Canada. Total sales for the first four months rose 1.4% to $419 millions.

Figures for the month by provinces and by months for the year follow:

SALES OF NEW ORDINARY LIFE INSURANCE IN CANADA

Sales in April 000's of $

	1950	1949
British Columbia	9,613	8,744
Alberta	7,330	6,921
Saskatchewan	3,295	2,812
Manitoba	5,495	5,718
Ontario	44,392	43,841
Quebec	29,561	28,060
New Brunswick	2,843	2,611
Nova Scotia	3,529	3,402
Prince Ed. Island	312	228
Newfoundland	778	580
Total	107,148	102,917

Sales by Months 000's of $

	1950	1949
January	100,814	106,621
February	99,501	99,239
March	111,887	104,662
April	107,148	102,917
May	......	106,831
June	......	112,731
July	......	103,496
August	......	89,565
September	......	91,047
October	......	108,455
November	......	125,457
December	......	111,550
	419,350	1,262,571

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted

NIAGARA WIRE WEAVING CO., Niagara Falls, Ont., net profit for the year ended March 31, 1950, amounted to $441,522. The higher figure of $486,686 shown in the previous year included an abnormal profit from sale of investments, President E. J. Buell points out.

George Christie Canada Ltd., a wholly-owned subsidiary operating a wire plant at Three Rivers, Que., "had a profitable year and again contributed to the earnings of the parent company."

INCOME ACCOUNT

Years Ended Mar. 31:	1950	1949
Net profit*	$441,522	$486,686
Less; Com. divds.	234,000	234,000
Surplus for year	207,522	252,686

*Includes $33,172 prof. on sale of invest. in 1950; $98,448 in 1949.

Earnings per Share and Dividend Record:	1950	1949
Common: Earned	$3.77	$4.16
Paid	1.60+0.40	1.60+0.40

CONDENSED BALANCE SHEET

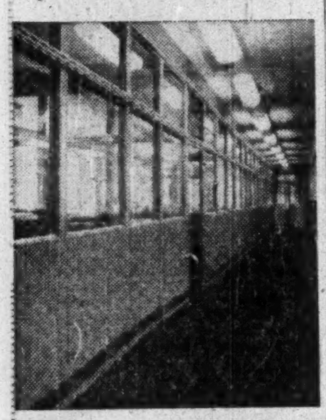
As at Mar. 31:	1950	1949
Cash	$311,529	$414,884
Marketable secs.‡	1,001,633	403,936
Accts. rec., etc.	227,036	390,020
Inventories	443,467	450,493
Total curr. assets	1,983,665	1,659,333
Inv. in subsid.	340,684	340,684
Misc. assets	175,296	160,939
Fixed assets†	304,899	315,610
Patents	31,400	1
Total assets	2,835,944	2,476,567
Accts. & tax. pay.	516,544	395,154
Other curr. liab.	105,533	114,126
Total curr. liab.	622,077	509,280
Capital stock	399,249	399,249
Capital surplus*	425,050	425,050
Earned surplus	1,389,568	1,142,988
‡Mkt. value	1,037,703	443,527
†After deprec. of	769,328	719,386

*Including res. for investments of $114,735 provided in 1938 and not now required.

	1950	1949
Working capital	1,361,588	1,150,053

McCLELLAN GOLD MINES has received payment for June 5 installment of 50,000 shares at 10c a share, under agreement with Romaine Management Ltd. Issued capital is 2,680,007 shares, leaving 319,993 shares in treasury.

STEEL PARTITIONS *for the* OFFICE



● Business offices are usually in a state of flux — of personnel or department changes, switches and additions which often make the re-arrangement of offices imperative. No medium lends itself more practically and economically in the divisioning and re-arranging of offices than "Office Specialty" Steel Partitions.

● Attractive in every way — in appearance and strength, for speed of erection, dismantling and re-assembly. They're sound-insulated and built for convenient routing of electric or communication cables.

● Our large new additional plant is specially equipped to handle your needs in office partitions, lockers and shelving. May we have the opportunity of estimating on your requirements.

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YOU'LL find Fruehaufs *on the job* in over 100 different industries . . . hauling everything from lumber to livestock. And nearly everywhere, operating records show they're hauling the biggest loads the longest . . . costing less per mile, per day and per year of their continuous, uninterrupted operation.

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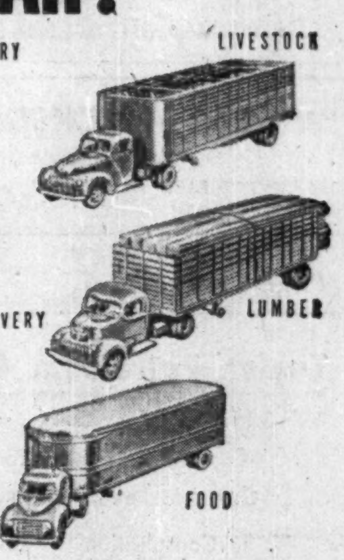


FRUEHAUF TRAILER COMPANY of Canada, Limited

TORONTO (Weston) ONTARIO

FRUEHAUF Trailers

FIRST IN TRUCK-TRAILER TRANSPORT!

Personal Independence—one of Canada's most prized possessions

PERSONAL INDEPENDENCE, founded on individual freedom, has always been one of the proudest possessions of the people of this country.

It is exemplified by the self-reliance and initiative which has made Canada so great. And the high value people place upon it may be measured by the ever-increasing amount of life insurance Canadians own.

Through life insurance a man attains security, not through compulsion of the state, but through personal choice. Thus he achieves security without sacrificing his freedom.

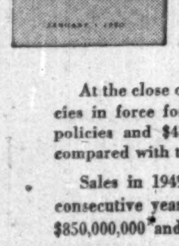
Life insurance is a man's private, personal means of fulfilling his hopes and desires for his family's future . . . of seeing to it that his sons and daughters will be properly educated . . . of making sure that his wife and children need never suffer hardship if he should die. And, at the same time, it offers him a means of providing for his own later years.

Today more people in Canada are safeguarding the financial independence of their families with life insurance than at any other time in history.

The New York Life Insurance Company is proud to report that it has shared in this growth — as the 105th Annual Report to Policyholders, just published as a 36-page illustrated booklet, shows.

The essential facts and figures of this Report will, of course, be sent to policyholders as usual with their premium notices. The complete booklet will be sent gladly to anyone requesting it.

A Canadian Tax Booklet, dealing with Income, Succession Duty and Gift Taxation, will also be sent to anyone asking for it.



HIGHLIGHTS FROM OUR 105th ANNUAL REPORT December 31, 1949

At the close of 1949 the Company had 3,864,338 policies in force for $9,970,371,347, an increase of 84,797 policies and $430,787,118 of insurance protection as compared with the end of 1948.

Sales in 1949 amounted to $852,385,500, the third consecutive year that new sales have ranged between $850,000,000 and $860,000,000.

The Company in 1949 paid $131,802,411 to living policyholders (an increase of $13,755,982 over 1948) and $88,447,839 to beneficiaries (an increase of $118,268). The total was $220,250,250 (an increase of $13,874,250).

For 1950 the Company is continuing the same scale of dividends to policyholders as was in effect in 1949. New York Life has always been a mutual company and pays dividends to policyholders only.

Doing business in Canada since 1868

Our SECOND CENTURY

NEW YORK LIFE INSURANCE COMPANY

51 Madison Avenue, New York 10, N.Y.

CANADIAN DIVISION HEADQUARTERS

320 Bay Street, Toronto, Canada

Branches: QUEBEC CITY, MONTREAL, WINNIPEG, VANCOUVER

Offices: CALGARY, VICTORIA

DIVIDEND NOTICES

THE DOMINION BANK

DIVIDEND NO. 271

Notice is hereby given that a dividend of twenty-five cents per share upon the paid up capital stock of this Bank has been declared for the quarter ending 31st July, 1950. The dividend will be payable at the Head Office of the Bank and its Branches on and after Tuesday, the first day of August, 1950, to shareholders of record of the 15th July, 1950.

By Order of the Board.
A. C. ASHFORTH,
General Manager.
Toronto, 8th June, 1950.

THE CANADIAN BANK OF COMMERCE

DIVIDEND NO. 254

NOTICE is hereby given that a DIVIDEND OF TWENTY CENTS per share on the paid-up Capital Stock of this Bank has been declared for the quarter ending 31st July, 1950, and that the same will be payable at the Bank and its Branches on and after **TUESDAY**, the **FIRST** day of **AUGUST** next, to Shareholders of record at the close of business on 30th June, 1950. The Transfer Books will not be closed.

By Order of the Board.
JAMES STEWART,
General Manager.
Toronto, 16th June, 1950.

BRALORNE MINES LIMITED

(Non-Personal Liability)

DIVIDEND NO. 53

NOTICE is hereby given that an Interim Dividend of 10 cents per share has been declared on the paid-up capital stock of the Company, payable on the 15th day of July, 1950, to shareholders of record as of June 26th, 1950.

By order of the Board.
RONALD H. GRACE,
Secretary-Treasurer
Vancouver, B.C.
June 6th, 1950.

GENERAL PRODUCTS MFG. CORPORATION LIMITED

Dividend Notice

Notice is hereby given that the following dividends have been declared.

Preferred Stock

A semi-annual dividend at the rate of 5% per annum on the Preferred Shares of the Company for the half year ending June 30, 1950, has been declared payable July 15, 1950, to shareholders on record at the close of business June 30, 1950.

Common Stock

A dividend of 50c per share on the Class "A" and Class "B" Common Shares of the Company has been declared payable July 15, 1950, to shareholders on record at the close of business June 30, 1950.

By Order of the Board.
D. G. WALLACE,
Secretary-Treasurer.
London, Ontario.
June 21, 1950.

Biltmore HATS LIMITED

NOTICE OF DIVIDENDS

Notice is hereby given that the following dividends have been declared for the quarter ending the 30th day of June, 1950.

CLASS "A" DIVIDEND NO. 17

A dividend of 25c (twenty-five cents) per Class "A" share, payable on the 15th day of July, 1950, to shareholders of record on the 30th day of June, 1950.

COMMON DIVIDEND NO. 54

A dividend of 10c (ten cents) per Common share, payable on the 15th day of July, 1950, to shareholders of record on the 30th day of June, 1950.

By order of the Board.
(Signed) WM. F. FRANKE,
Secretary-Treasurer.
Guelph, Ontario,
June 2nd, 1950.

SHEEP CREEK GOLD MINES LIMITED

(Non-Personal Liability)

Notice of Dividend No. 52.

Notice is hereby given that an Interim Dividend of two cents per share has been declared on the paid-up Capital Stock of the Company, payable on the 15th day of July, 1950, to shareholders of record at the close of business on the 30th day of June, 1950.

By Order of the Board,
James Anderson & Co. Ltd.,
Secretary.
Vancouver, B.C.,
June 12, 1950.

N. SLATER COMPANY LIMITED

HAMILTON - CANADA

DIVIDEND NOTICE

A quarterly dividend of 45c per share on the outstanding Common stock of the Company has been declared, payable August 1, 1950, to shareholders of record at the close of business on July 10, 1950.

Also, a quarterly dividend of 53c per share on the Preferred Stock has been declared, payable July 15, 1950, to shareholders of record at the close of business on July 3, 1950.

J. G. DAVIES,
Secretary.
Hamilton, Canada,
June 24, 1950.

Monarch Mortgage & Investments Limited

DIVIDEND NOTICE

NOTICE is hereby given that a Dividend of Seventy-five Cents (75c) per share has been declared on the Common Shares of the Company, payable June 30th, 1950, to shareholders of record Tuesday, June 20th, 1950.

By Order of the Board.
NORMAN W. LONG,
Managing Director.
Toronto, June 13th, 1950.

DIVIDEND NOTICES

BRANTFORD ROOFING COMPANY, LIMITED

DIVIDEND NOTICE

Notice is hereby given that the folowing Dividends have been declared on the outstanding Stock of the Company:—

CLASS A SHARES: twenty-five cents (25c) per share payable August 1st, 1950, to Shareholders of record July 15th, 1950 — and twenty-five cents (25c) per share, payable November 1st, 1950 to Shareholders of record October 14th, 1950.

CLASS B SHARES: ten cents (10c) per share, payable August 1st, 1950, to Shareholders of record July 15th, 1950 — and ten cents (10c) per share, payable November 1st, 1950, to Shareholders of record October 14th, 1950.

By Order of the Board,
Brantford, Ontario, May 17th, 1950.
R. D. PAUL, Secretary.

STANLEY BROCK LIMITED

Dividend Notice

NOTICE is hereby given that a dividend of 15 cents per share on the outstanding Class A Shares of the Company and 10 cents per share on the outstanding Class B Shares of the Company has been declared payable August 1st, 1950, to shareholders of record July 10, 1950.

By Order of the Board.
C. W. H. ROUTLEY, C.A.
Treasurer.
WINNIPEG, MAN.
June 7, 1950.

The Continental Life Insurance Company

DIVIDEND NO. 40

Notice is hereby given that a dividend of One Dollar per share on the paid-up capital stock of the Company has been declared payable July 15th, 1950, to shareholders of record at close of business on July 13th, 1950.

By Order of the Board.
GEORGE HUNT,
Secretary.
Toronto, April 27th, 1950.

WESLEY MASON MILLS LIMITED

DIVIDEND NOTICE
Preferred Shares

A dividend of One Dollar and Thirty-seven and One-half Cents ($1.37½) per share on the 5½% Cumulative Redeemable Sinking Fund Preferred Shares of the Company has been declared for the three months ending July 31, 1950, payable on August 1, 1950, to shareholders of record July 12, 1950.

By Order of the Board.
N. E. DRYSDALE,
Secretary-Treasurer.
MONTREAL, June 16, 1950.

DISHER STEEL CONSTRUCTION COMPANY, LIMITED

COMMON DIVIDEND

Notice is hereby given that a dividend of FIFTY CENTS (50c) per share has been declared on the Common Shares of the Company, payable July 7th, 1950, to Shareholders of record at the close of business June 22nd, 1950.

By Order of the Board,
DONALD H. ROWAN, K.C.,
Secretary.
Toronto, June 15th, 1950.

DISHER STEEL CONSTRUCTION COMPANY, LIMITED

PREFERRED DIVIDEND No. 83

Notice is hereby given that the regular quarterly dividend of THIRTY-SEVEN AND ONE-HALF CENTS (37½c) per share has been declared on the Class "A" Cumulative Redeemable Preference Shares of the Company, payable August 1st, 1950, to Shareholders of record at the close of business July 15th, 1950.

By Order of the Board,
DONALD H. ROWAN, K.C.,
Secretary.
Toronto, May 18th, 1950.

OSMOR INVESTMENTS LIMITED

Notice is hereby given that a Dividend of Seventy-five cents (75c) per share has been declared on the Class "A" Shares of the Company for the three month period ending the 30th day of June, 1950.

Notice is also hereby given that a Dividend of Seventy-five cents (75c) per share has been declared on the Class "B" Shares of the Company for the three month period ending the 30th day of June, 1950.

The above dividends will be paid on Friday, June 30th, 1950, to Shareholders of record at the close of business on Thursday, June 15th, 1950.

By Order of the Board,
MAURICE GROSS,
Secretary.
MONTREAL, June 14th, 1950.

STELCO

THE STEEL COMPANY OF CANADA, LIMITED

PREFERENCE DIVIDEND No. 156

Notice is hereby given that a dividend of twenty cents (20c) per share on the Preference Shares of the Company has been declared for the quarter ending June 30, 1950, payable August 1, 1950, to shareholders of record at the close of business July 7, 1950.

By Order of the Board.
H. S. ALEXANDER,
Secretary.
Hamilton, Canada, June 12, 1950.

STELCO

THE STEEL COMPANY OF CANADA, LIMITED

ORDINARY DIVIDEND No. 134

Notice is hereby given that a dividend of twenty cents (20c) per share on the Ordinary Shares of the Company has been declared for the quarter ending June 30, 1950, payable August 1, 1950, to shareholders of record at the close of business July 7, 1950.

By Order of the Board.
H. S. ALEXANDER,
Secretary.
Hamilton, Canada, June 12, 1950.

Here's Test of Good Retail Turnover

How Often Do YOU Replace Average Merchandise Lines?

Does your store stack up well with the average—for advertising costs, turnover, bad debt, net profit?

The Financial Post presents here the second in a series based on the most recent information available. Decline in ratio of net profit to total sales was discussed in the first. Further articles will present data relating to other vital phases of retail store operation, interpret the findings to make them usable as a guidepost for your business.

By HARLEY POTTER

How has stock turnover in your store behaved as compared with other stores in the same line of retail trade?

Most recent figures show that stock turnover in retail stores has generally declined from the end of the war or at least dropped from a postwar high reached around 1946. Where comparable figures are available, however, turnovers are shown to be still higher than prewar.

Stock turnover is the number of times a year you sell your average merchandise stock and replace it. Here's how it can be calculated for any store: take inventory values for the beginning of the year and for the end of the year and average them; divide the average into the total amount of merchandise sold during the year, valued at cost price.

Careful merchants watch stock turnover closely. It's a measure of how efficiently they are using the capital they invest in stock. Each time stock is turned, its value multiplied by the net profit rate is made in cash profits: the more often it is turned, the more profit is made (as long as turnover is not obtained by unreasonably low prices).

Too low turnover relative to competitors may mean the merchant carries too wide a variety of goods, too large a stock for size of his store and clientele, etc., or maybe prices are a bit high.

Scarcity Vs High Demand

The unusually high turnover just after the war was owing to scarcities of goods, keeping stocks down, and high consumer demand, moving goods out soon after they were stocked. Better supply and some slackening of consumer demand would account for the decline in turnover since. Of course, different trades are affected by special conditions.

Striking thing about the table on this page showing turnover in major trades is wide differences.

A butcher, in latest 1948 data, turns stock over 35 times a year, against three times for an unincorporated hardware store. This is owing to the nature of the products handled and the market: e.g., meat just won't keep, must be turned quickly.

Women's dresses have higher turnover than men's suits partly because dresses too won't keep . . . the styles may change. Notice how closely different trades keep their relative ranks as to size of turnover through different years: this figure is more controllable than the net profit rate.

Some trades show little fluctuation in average stock turnover even under such varying economic conditions as obtained in the prewar period.

Greatest fluctuation as a per cent of the postwar low has been in appliances. Here the high was up 58% from the low, owing to booming demand with sharply changing conditions of supply.

Least fluctuation was in women's clothing, next least in unincorporated drugstores.

Since many larger stores achieve their status by larger store space and stocks, the average turnover rises considerably less than in proportion to increases in sales for whole groups of stores.

Here are the figures, first for unincorporated stores, then for incorporated (in times per year, figures aren't given for all sales classes for every kind of store):

AVERAGE TURNOVER

How many times a year should a merchant sell his average stock and replace it?

Here's a table of how average turnover looked in different retail trades in latest figures available. Table also shows how turnover has changed since war's end, something with which you may be able to compare your store's results even more closely. Bigger-than-average stores tend to have higher turnover, smaller stores to have smaller. Trades are in order of size of turnover, in times per year stock is turned, for latest figures. Figures are for unincorporated stores except where otherwise specified.

	Latest	1946	1945
Meat	37.4	37.2	41.6
Restaurants	25.7	30.6	31.4
Filling stations	20.9	26.3	...
Fruit & vegetable	19.2	24.6	26.2
Combination grocery & meat	13.8	14.9	15.5
Confectionery	12.1	13.0	15.3
Groceries	10.6	11.4	11.5
Garage	9.2	11.4	...
Tobacco	8.9	10.8	11.7
Household appli. & radio	4.7	6.0	3.8
Women's clothing	4.6	4.6	4.8
Country gen. stores	4.2	4.7	4.8
Drugs (unincorp.)	3.8	3.9	3.7
Hardware	3.0	3.7	3.3
Drugs (incorp.)	2.9	3.2	...
Men's clothing	2.7	3.6	3.5
Family clothing	2.7	3.2	3.1
Family shoes	2.2	2.9	3.0
Jewelry (incorp.)	1.6	2.1	...
Jewelry (unincorp.)	1.5	2.0	2.2

STOCK TURNOVER IN TIMES PER YEAR

UNINCORPORATED STORES

Dollars	Under 10,000	10,000 to 20,000	20,000 to 50,000	50,000 to 100,000	Over 100,000
Hardware:					
Owned	1.3	2.1	2.5	3.0	3.5
Rented	...	1.7	2.6	3.1	3.7
Furniture:					
Owned	...	2.3	3.3	2.6	...
Rented	...	2.5	3.2	2.8	...
Hous'ld appliances, radio:					
Owned	...	3.1	[illegible]	4.7	...
Rented	...	3.9	[illegible]	5.7	...
Drug:					
Owned	2.6	[illegible]	3.6	4.3	...
Rented	2.4	3.3	3.9	4.0	...
Jewelry:					
Owned	1.2	1.2	1.4	2.1	...
Rented	0.7	1.1	1.4	1.5	...
Tobacco:					
Owned	[illegible]	10.6	9.9	8.1	...
Rented	7.5	[illegible]	10.6	7.9	...
Meat:					
Owned	...	[illegible]	28.0	30.6	48.1
Rented	...	[illegible]	38.7	38.3	46.7
Grocery:					
Owned	[illegible]	8.2	10.4	10.9	11.4
Rented	[illegible]	9.3	[illegible]	11.0	12.1
Meat & grocery:					
Owned	...	[illegible]	12.0	13.4	13.9
Rented	...	10.2	13.6	14.5	15.1
Confectionery:					
Owned	7.6	12.8	11.5	...	...
Rented	...	6.3	13.1	13.0	...
Fruit & vegetable:					
Owned	...	12.4	18.9	28.8	...
Rented	...	17.6	18.3	19.5	...
Garages:					
Owned	...	6.1	7.3	9.7	9.0
Rented	...	...	11.7	18.3	19.5
Filling stations:					
Owned	6.4	10.4	12.6	19.2	...
Rented	...	15.6	21.7	26.2	25.9
Men's clothing:					
Owned	...	2.1	2.2	2.9	2.8
Rented	...	2.1	2.2	2.6	3.1
Women's readywear:					
Owned	1.7	2.7	3.3	4.2	6.1
Rented	2.6	2.8	3.6	4.7	7.1
Family clothing:					
Owned	1.6	2.1	2.5	3.5	...
Rented	1.2	1.8	2.2	2.5	3.7
Family shoes:					
Owned	1.1	1.7	1.9	2.0	...
Rented	...	1.4	1.9	2.4	3.0
Country general:					
Owned	2.5	2.9	4.0	4.0	4.7
Rented	...	3.0	4.0	4.2	5.3
Fuel (mainly coal):					
Owned	...	6.7	11.5	11.6	11.0
Rented	...	[illegible]	12.4	12.0	15.7
INCORPORATED STORES					
Men's clo.	...	...	2.2	2.7	3.1
Women's ready-wear	...	...	3.6	4.7	7.1
Family shoes	...	...	...	2.3	2.7
Fuel (coal):					
Owned	...	...	...	24.7	11.4
Rented	...	...	...	11.4	19.5
Drug	...	...	3.0	2.8	2.8
Jewelry:					
Rented	...	...	1.1	1.1	2.1
Hardware:					
Owned	...	...	...	3.3	3.1
Rented	...	...	2.7	2.7	3.3

DIVIDEND NOTICES

HENDERSHOT PAPER PRODUCTS, LIMITED

DIVIDEND NOTICE

The Board of Directors of Hendershot Paper Products Limited, at a meeting thereof held on June 15th, 1950, declared a thirteenth quarterly dividend of 25c per share on all outstanding Common Shares of the Company, payable July 3rd, 1950, to shareholders of record as at the close of business June 23rd, 1950.

By order of the Board.
W. A. W. Dickson,
Secretary-Treasurer.

DONNELL & MUDGE LIMITED

DIVIDEND NOTICE

Notice is hereby given that the Directors of Donnell & Mudge Limited have declared the regular quarterly dividend of 25c per share on the outstanding Class "A" Shares of the Company, for the quarter ending 30th June, 1950, payable 1st July, 1950, to holders of record at the close of business on the 27th day of June, 1950.

By Order of the Board.
H. C. DWYER,
Secretary.
Dated at New Toronto, Ontario,
19th June, 1950.

Dominion Corset Company Limited

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN that a dividend of twenty cents (20c) per share on the Capital Stock of the Company has been declared for the quarter ending June 30, 1950, payable on and after the third day of July, 1950, to holders of record at the close of business on the 14th of June, 1950.

By Order of the Board.
MAURICE GODBOUT,
Secretary-Treasurer.

RELIANCE PRODUCTS

DIVIDEND NOTICE

Notice is hereby given that a regular half-yearly dividend at the rate of Four and one-half Percent (4½%) per annum has been declared on the Cumulative Redeemable Preference Shares, for the half year ending June 30, 1950, payable July 3, 1950, to shareholders on record at the close of business June 20, 1950.

By Order of the Board, June 16, 1950.
W. G. PERRY,
Secretary-Treasurer.

McINTYRE PORCUPINE MINES, LIMITED

(No Personal Liability)

DIVIDEND NO. 138

Notice is hereby given that a dividend of fifty and one-quarter cents (50¼c) per share in Canadian currency will be paid on September 1, 1950, to shareholders of record at the close of business August 1, 1950.

By Order of the Board.
W. B. DIX,
Treasurer.
Dated at Toronto, June 15, 1950.

NOTICES

SOUTHWEST PETROLEUM COMPANY LIMITED

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a special general meeting of Southwest Petroleum Company Limited will be held in the Spanish Room, first floor, Palliser Hotel, in the City of Calgary, in the Province of Alberta, on Tuesday, the 18th day of July, 1950, at the hour of 11 a.m. in the forenoon, for the purpose of considering and if thought fit passing the following resolutions:—

(a) That this meeting approve of the company selling all of its assets to Federated Petroleums Ltd. for the sum of $300,000.00.

(b) That this company be and it is hereby required to be wound up voluntarily under the provisions of the Winding Up Act, R.S.C. 1927, Chapter 213.

DATED at the City of Calgary in the Province of Alberta, this 17th day of June, 1950.

By Order of the Board,
JOHN W. MOYER,
Secretary.

LOWERY PETROLEUMS LIMITED

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a special general meeting of Lowery Petroleums Limited will be held in the Spanish Room, first floor, Palliser Hotel, in the City of Calgary, in the Province of Alberta, on Tuesday, the 18th day of July, 1950, at the hour of 10 a.m. in the forenoon, for the purpose of considering and if thought fit passing a resolution approving of the Company selling all of the assets of the Company to Federated Petroleums Ltd. for the sum of $750,000.00.

DATED at the City of Calgary in the Province of Alberta, this 17th day of June, 1950.

By Order of the Board.
JOHN W. MOYER,
Secretary.

Bond Yields Hold Steady

The 40-bond yield average, as compiled by McLeod, Young, Weir & Co., on the basis of bond prices at May 31, 1950, was 3.34% as compared with 3.35% for the previous month's average.

The average yields for the provincial and public utility groups of bonds were unchanged from the previous month, while the average yield for the municipal group increased .01% and for the industrial group declined 0.02%.

Here is the yield average for each of the four separate groups comprising the 40-bond yield average:

	May 31, 1949 %	Nov. 30, 1949 %	May 2, 1950 %	May 31, 1950 %
10 Prov.	3.18	3.07	3.12	3.12
10 Mun.	3.56	3.50	3.43	3.44
10 Util.	3.38	3.28	3.33	3.33
10 Indus.	3.58	3.44	3.50	3.48
40 Bd. Av.	3.42	3.32	3.35	3.34
Av. Mat.	16 yrs. 5 mos.	15 yrs. 10 mos.	17 yrs. 2 mos.	17 yr. 1 mo.
Dom. 3% 1966	2.92	2.73	2.75	2.73

Kaiser-Frazer 4th New Auto Plant Since War

Canada gets its fourth new automobile manufacturing plant since the war; Kaiser-Frazer of Canada completed arrangements with Reo Motors of Canada to build its cars at the Reo plant in Leaside, Ont.

The other three new auto plants: Nash at Toronto; Studebaker at Hamilton and Hudson at Tilbury. With the "Big Three," Ford, Chrysler and General Motors, they have helped push production to new heights.

At the end of April, 115,101 vehicles had rolled off the assembly lines. Last year at the same time: 83,311. The big increase was in passenger cars; commercial vehicle output is about the same.

Two Month Deliveries

In many places, cars were almost as hard to get as ever. In Toronto, Fords which were being offered at a discount at Christmas were back to two months delivery or longer. Delays on the other popular makes were longer still.

On top of record domestic production, United Kingdom cars were being shipped in greater volume. The four month figure: 24,032 cars, 290 trucks. However, DBS reports total sales for the first three months were 11,441 cars and 996 trucks, indicating substantial dealer stocks at the end of March.

The story was the same in the United States. New car sales in June were expected to top the alltime record of 515,000 of May 1941. If they do, sales in the second quarter will be the highest of any quarter in the industry's history.

By midsummer Kaiser-Fraser will help swell the Canadian volume.

A joint announcement by J. W. Atkinson, general manager, Kaiser-Frazer of Canada and R. J. Telford, vice-president and general manager of Reo, said the Leaside plant will be tooled to build 10 cars per eight-hour shift. Reo will continue its normal truck production.

First cars are expected off the line in August. At first, only Kaisers will be built. Frasers and the new smaller Henry J. may come later. In the United States, there are 12 Kaiser models in "Special" and "Deluxe" lines.

COMPANY REPORTS

PIONEER GOLD MINES OF B. C., in the year ended March 31, 1950, developed its No. 27 ore block above the 25th level sufficiently to permit mining it "as a profitable undertaking." Grade of ore hoisted during the year, reports Managing Director H. T. James, was 0.489 oz. per ton and, since the bulk of it came from this vein, this "is a good indication of the grade of ore to be expected" there.

The mine produced 75,039 tons of ore during the year, recovering 35,520 oz. gold and 7,362 oz. silver. Operating profit totaled $312,381, against an operating loss of $6,389 the previous year, and net profit rose sharply to $337,422, or 19c a share, against 4c a share.

President Victor Spencer states that "if the healthy improvement in working capital continues at the current rate, as is expected, the resumption of dividends should be possible in the not too distant future."

INCOME ACCOUNT

Years Ended Mar. 31:	1950	1949
Bullion prod.	$1,324,829	$853,932
Less: Oper. exp.	1,012,448	860,321
Oper. profit	312,381	†6,389
Add: Misc. inc.	11,400	15,700
Est. Cost-Aid	137,027	193,654
Less: Depreciation	45,517	44,828
Depletion	65,021	45,747
Expl. & prosp.	12,848	35,880
Net prof. & surp.	337,422	76,510
†Loss.		
Earnings per Share	$0.19	$0.04
None paid.		

CONDENSED BALANCE SHEET

As at Mar. 31:	1950	1949
Cash & bullion	$303,776	$141,850
Est. Cost-Aid	82,799	75,168
Accts. rec.	12,590	5,208
Life ins.—c.s.v.	3,300	......
Mkt. secs.*	†47,575	†151,769
Mat. & supplies	142,814	193,938
Total curr. assets	592,854	567,933
Deferred chgs.	29,870	25,097
Claims & props.■	344,447	336,801
Plant & equip.▲	409,648	266,673
Outside interests	725,763	704,932
Total assets	2,102,582	1,901,436
Bank loan	10,908	210,636
Accts., etc., pay.	84,470	95,816
Taxes pay.	13,481	5,692
Total curr. liab.	108,859	312,144
Capital stock	1,751,750	1,751,750
Premium on shs.	25,000	25,000
Earned surplus	216,973	♦187,458
▲After depr. of	1,091,991	1,187,143
■After depl. of	1,865,010	1,799,989
*Market value	98,180	195,730
†After reserve of	88,726	91,101
♦Deficit.		
Working capital	483,995	255,789

OPERATING STATISTICS

	1950	1949
Tons milled	72,476	56,621
Average recov.	$18.28	$16.23
Ore reserves, tons	395,833	426,000
Grade ($35 gold)	$17.50	$17.50

Grain Prices

Chicago Futures

Week to June 19, 1950

Crop year from Aug. 1, 1949 High	Low		High for week	Low for week	Close June 19
		Wheat—			
2.24¼	1.84	July	2.11⅞	2.08¼	2.11¼
2.23¼	1.86¼	Sept.	2.12⅞	2.09⅞	2.12⅜
2.25	1.88¼	Dec.	2.15⅞	2.12⅜	2.15⅜
2.24¼	2.15	Mar.	2.16⅜	2.13	2.15⅞
2.15	2.09⅞	May	2.15	2.09⅞	2.12¼
		Corn—			
1.49¼	1.19	July	1.44⅞	1.40⅞	1.43⅞
1.48	1.17¼	Sept.	1.42¼	1.39⅜	1.42
1.36⅜	1.10⅞	Dec.	1.34¼	1.32	1.33¼
1.39⅜	1.31¼	Mar.	1.35¼	1.32¼	1.34⅞
1.36⅜	1.34¼	May	1.36⅜	1.34¼	1.36⅜
		Oats—			
.88⅜	.56¼	July	.83	.76¼	.78¼
.79⅜	.59⅜	Sept.	.74¼	.70¼	.72⅜
.80⅜	.61¼	Dec.	.75⅜	.71⅜	.74¼
.80¼	.73⅜	Mar.	.75⅜	.71	.73¼
		Rye—			
1.52⅞	1.26⅞	July	1.36⅞	1.31	1.32¼
1.49¼	1.28¼	Sept.	1.39¼	1.32⅞	1.34¼
1.53¼	1.31⅞	Dec.	1.43¼	1.37	1.38¼
		Soybeans—			
		July	3.10¼	2.87¼	3.01
		Nov.	2.21	2.08	2.12¼
		Jan.	2.22¼	2.08⅜	2.14
		Mar.	2.23¼	2.10¼	2.16¼

Chicago Cash

	For Week June 19 High	Low	Prev. Week High	Low
Corn—				
2 Yel.	1.48¼	1.44¼	1.58¼	1.48⅜
Oats—				
1 H. Wh.	.95⅞	.91¼	1.03⅞	.94

Winnipeg Futures

Week to June 19, 1950

Crop year from Aug. 1, 1949 High	Low		High for week	Low for week	Close June 19
		Oats—			
1.15	.72¼	July	1.10¼	1.05¼	1.09¼
.93¼	.70¼	Oct.	.87¼	.82⅞	.84⅜
.87¼	.78⅜	Dec.	.82¼	.78⅜	.80⅜
		Barley—			
1.52⅜	1.09⅞	July	1.49¼	1.43⅞	1.47⅞
1.24¼	1.01¼	Oct.	1.22⅜	1.19⅜	1.22¼
1.18⅜	1.14⅞	Dec.	1.17¼	1.14⅜	1.17⅜
		Rye—			
1.60⅜	1.36⅞	July	1.47⅞	1.40⅜	1.45¼
1.60⅞	1.33¼	Oct.	1.48¼	1.41¼	1.43¼
1.54	1.41¼	Dec.	1.47⅞	1.41¼	1.43
		Flax—			
3.79	3.48	July	3.75¼	3.75	3.75
3.59¼	3.27	Oct.	3.59¼	3.45	3.45
3.45	3.44	Dec.	3.45	3.44	3.44

Winnipeg Cash

	For Week June 19 High	Low	Prev. Week High	Low
Oats—				
2 C. W.	1.16⅞	1.14¼	1.24⅞	1.13
3 C. W.	1.15⅞	1.12¼	1.22⅞	1.11
Barley—				
1 Feed	1.51⅜	1.46	1.55⅞	1.49¼
2 Feed	1.51¼	1.47¼	1.55⅞	1.48⅜
1 Malt	1.81⅜	1.79¼	1.84⅞	1.79¼
Rye—				
2 C. W.	1.47¼	1.41	1.49¼	1.44
Flax—				
1 C. W.	3.75¼	3.75	3.77	3.74

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AND
THE ALBERTA PACIFIC GRAIN CO. (1943) LTD.
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Own and Operate
Terminal Elevators in Fort William
109 Country Elevators
Total Storage Capacity 12,000,000 bus.
31 Vessels on the Great Lakes
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609 Grain Exchange, Winnipeg

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Grain Merchants, Shippers and Exporters
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GRAIN FUTURES
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Head Office—563 Grain Exchange, Winnipeg, Man.
Branch Offices—Fort William, Ont., Montreal, Que. — Vancouver, B.C.

ARE YOU TRUSTING TO LUCK?

Answer the question—How much time do you give to your investments each week?—and you will know to what extent you are relying on "luck".

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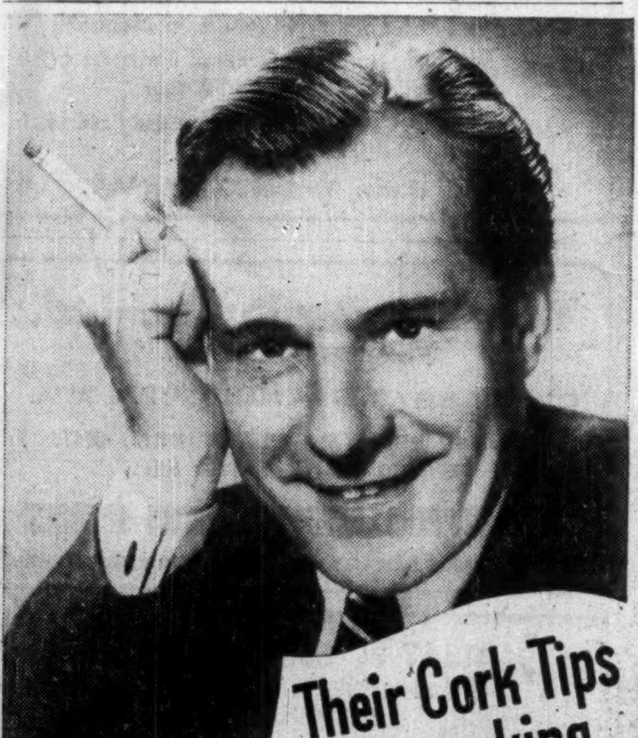

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THE LARGEST-SELLING CORK TIPPED CIGARETTE IN THE WORLD!

What's New

New Products, Applications and Ideas Gathered from World-wide Sources or Made in Canada for the First Time

Radioactive Golf

New golf ball with small quantity of radioactive material built in can be located with Geiger counter, thus can't be lost, says U. S. company's research department. Amount of radioactive material couldn't harm user, also low-cost Geiger counters can be obtained weighing 10 oz., it says. But golf ball is experimental, won't be sold just yet.

* * *

Combination Spray

New combination lawn spray and fertilizer or insecticide spreader by Indiana maker has quart-size receptacle attached to otherwise normal water spray. Water flows through spray from hose, revolving twin arms to water lawn, but draws out liquid fertilizer or insecticide from receptacle, scattering it over lawn with water. A control device regulates strength of solution sprayed. Has plastic stand.

* * *

Mixer Polishes Shoes

Bonnet of lamb's wool fits over head of electric mixer in wife's kitchen, will polish your shoes, jewelry, silverware, etc. Named "Curly Head" by Oregon maker.

* * *

Cleans Blinds

Venetian blind cleaner has plastic tongs with spring action to clean flat or curved blind slat at one stroke. Equipped with foam rubber pads. Made in California.

* * *

Humpty Put Together

New Humpty Dumpty toy can be pushed off wall and will "smash into eight pieces. However, pieces fit together again and fall can be repeated. Pieces, fitting together closely, are of Tenite plastic. Pieces themselves nonshatterable, says U. S. maker.

* * *

3-Dimension Projector

New three-dimension slide projector in U. S. uses special metallic screen, adapted to factory, sales, educational, home use. Slides are mounted in carriers that give proper three-dimension projection alignment. Shows color, or black or/and white slides, in usual 35-mm. size or 2-in. x 2-in. size, using two 500 w. lamps in home model, 750 w. and 1,000 w. for commercial, industrial use.

* * *

Non-Skid Paint

New "Traffic Tred" paint made by Ontario firm designed to remove danger of slipping on floors, ramps, stairs, etc. Comes in semiliquid form, solvent evaporating after application to leave many small, uniform granules imbedded in base which is bonded to floor. Said resistant to chipping, flaking, chemicals, moisture; said to stand up under very wide temperature range.

* * *

Office Printing

Speedy, low-cost production of catalogues, lists, etc., said possible with "Flexoprint" system now being mass-produced in U. S. for offices, other users. List can be kept up to date day by day for publication any time; listings are put on margins of special die-cut cards by your own typist, then proofread, attached to metal panels. If prices or other data change, card can be changed. To publish, lock metal panels together for reproduction, by photoengraving and letterpress or by photolithography and offset printing.

Manufacturers of products which are either completely new or are being made in Canada for the first time are invited to contribute to this column. Describe the product, state its purpose, outline in what respect it is new, and indicate its significance to its field.

Enquiries concerning items in this column should mention the heading to the item, and the date of issue in order to ensure prompt reply.

* * *

Plastic Power Cable

Connecticut firm claims first all-plastic nonmetallic sheathed cable fully approved by U. S. Underwriters' Laboratories. New "A-Z" cable won't rot, corrode in most exacting service, firm says.

* * *

Paint Remover

Buffing, sanding, scraping eliminated with new speedy-action liquid paint remover, claims Pennsylvania firm. Remover is brushed on, left a few minutes, then paint is rubbed off with cloth. For auto and marine use, it removes paint, lacquer, varnish even from dents of crevices that would need special sanding, etc., ordinarily, manufacturer states. Said to need no neutralizing agent, evaporating to leave clean surface.

* * *

Dresses Up Drums

New "Rheemcote" process of making steel drums up to 55-gal. size (American measure) provides new possibilities in marketing oil, chemicals, etc., claims New York firm. It has developed a press for multi-color lithography of sheet steel in two to four colors. Also machinery said to form welded drums from the steel without injuring the brightly lithographed surface, new method for coating insides of the drums with noncorrosive, sanitary linings is claimed as part of process. Drums adaptable for food handling, firm says.

* * *

Speedy Mortar Mixer

New plaster and mortar mixer by New Jersey company has 6 cu. ft. capacity, runs at high speed, doesn't need special operator, needs little attention, says New Jersey firm. Will keep 30 men supplied with material, has bag cutter over which bag is broken, contents falling automatically into mixing drum; special lock prevents machine dumping material on floor while running, drum empties in four, five seconds, says firm.

* * *

Saves on Power Bills

New reference booklet on "Power Factor—and Means for its Improvement" is available for electrical engineers in industrial plants. Twenty-four-page publication by Canadian General Electric gives systematic data for study of power factor correction, said valuable when an increase in load is contemplated but lines, transformers are already loaded or where high power bills, overloaded lines or poor voltage regulation make for need to improve power factor.

* * *

Speedy Stampings

Stamping of large metal parts is speeded up by as much as 70% with new double-action press, is claim in Chicago. New "HiProDraw" press will get even greater production with automatic feed and unloader attachment added, says maker. Special linkage device varies speeds of inner, outer slides moving simultaneously in pressing of metal, with double-movement action in each drawing, maker says. More strokes per minute without tearing metal, is claim. Clearing machine does 12 strokes min., with maximum speed for this type draw about seven strokes min. Press draws maximum of 14 in., company states.

* * *

Check Valve

"Revolutionary in design and application" is claim for new line check valve after 10 years research. Simplicity achieved because, company says: 1. there are only three valve parts plus the seat and a locking ring for easy assembly, 2. units are machined and ready for immediate installation in all standard pipe fittings, e.g., tees, elbows, couplings, etc., 3. one basic design takes place of all other types, including swing-checks, ball-checks, clapper-checks.

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COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

STANDARD RADIO LTD. reports a net profit of $92,230 for the year ended March 31, 1950, compared with $79,714 for the previous year.

President J. E. Rogers states this is the first complete year in which CFRB had operated on its new frequency of 1010 kc and with its increased power of 50,000 watts. Capital expenditures on the new station at Clarkson have imposed a heavy burden on financial resources. Revenues, however, have steadily increased and, despite higher expenses, net earnings of the operating company "have improved materially." Dividends to the parent company totaled $88,000.

Company now operates short wave station CFRX and FM station CFRB-FM which, although not producing any revenue are maintained to protect the company's position in the short wave and frequency modulation fields.

Continued efforts have been made to obtain a television station license for the Toronto area but no action is expected to be taken on the company's application until the Royal Commission on Arts, Letters and Sciences has made its report and it has been considered by Parliament.

A sales representative was recently appointed in London, Eng.

INCOME ACCOUNT

Years Ended Mar. 31:	1950	1949
Total earnings	$98,500	$86,311
Less: Expenses	2,810	4,757
Income tax	3,460	1,840
Net profit	92,230	79,714
Less: Dividends	107,500	64,500
Surplus for year	†15,270	15,214
†Deficit.		
Earnings per Share and Dividend Record:		
Cl. A & B	$0.43	$0.37
Paid	0.50	0.30

CONDENSED BALANCE SHEET

As at Mar. 31:	1950	1949
Cash	$29,491	$22,423
Acct. rec.	1,345	......
Total curr. assets	30,836	22,423
Invest. in subs.	320,305	320,305
Fixed assets♦	227	284
Total assets	351,368	343,012
Accts., tax., etc., pay.	25,587	1,509
Capital distrib.	366	818
Total curr. liab.	25,953	2,327
Capital stock	320,305	320,305
Surplus	5,110	20,380
♦After depr. of	668	611
Working capital	4,883	20,096

Contingent Liability—$225,000 first mortgage bonds of subsidiary, guaranteed.

CHATEAU-GAI WINES LTD. consolidated 1949 net profit of $91,495 for the year ended April 30, 1950 was slightly higher than the previous year's $86,813.

Modernization of retail stores, initiated in 1947, was recently completed with renovation of 878 Yonge St. Toronto, reports President A. G Sampson. Bank loan during the year was reduced by $85,000 to $80,000.

Distribution of dollar value of sales shows 33c for packages and other costs, 31c taxes, 18c wages and salaries, 10c grape grower, 2c depreciation and 6c net profit.

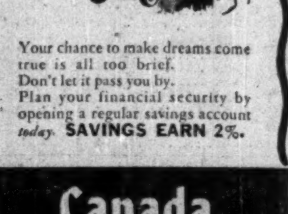
CONS. INCOME ACCOUNT

Years Ended Apr. 30:	1950	1949
Net earnings	$175,561	$170,681
Less: Deprec.	26,402	33,294
Income taxes	57,664	50,574
Net profit	91,495	86,813
Less: Dividends	85,500	79,800
Surplus for year	5,995	7,013
Earnings per Share and Dividend Record:		
Common	$0.80	$0.76
Paid	0.75	0.70

CONDENSED CONS. BALANCE SHEET

As at Apr. 30:	1950	1949
Cash	$12,801	$13,981
Accts. rec.	139,624	139,626
Inventories	919,336	982,886
Total curr. assets	1,071,761	1,136,493
Misc. assets♦	62,985	76,946
Fixed assets*	444,137	450,829
Total assets	1,578,883	1,664,268
Demand loan	80,000	165,000
Accts., tax., etc., pay.	108,779	115,159
Total curr. liab.	188,779	280,159
Capital stock	1,071,327	1,071,327
Earned surplus	318,777	312,782
*After deprec. of	519,174	502,313
♦Incl. ref. EPT	14,133	14,430
Working capital	882,982	856,334

Plan TO ENJOY THE GOOD THINGS IN LIFE



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Don't let it pass you by.
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HEAD OFFICE
320 BAY ST., TORONTO

B-A Guarantees ITS NEW 88 and 98 GASOLINE

B-A laboratories absolutely guarantee its newly developed and perfected 88 and 98 gasolines. At no time in the history of B-A has such a fine, high octane gasoline been produced. Forty years of constant research have resulted in B-A 88 and 98 gasolines. New B-A 88 gasoline for excellent performance with economy. New B-A 98 gasoline for peak performance in any car.

Mr. M. S. Beringer,
Vice-President—Manufacturing, says:

"As a result of the great progress made in the last decade in petroleum technology, we as refiners are able to meet the challenge created by motor engineering developments. Using the most successful of the new refining techniques, we have been able to produce gasolines which will keep pace with automotive design trends for years to come. We believe they are the best gasolines you can buy."

R. F. A. Smith,
Refinery Manager, says:

"This new refinery we've just completed is not only one of the biggest gasoline producing units in Canada, it's one of the most modern in the world. I've been in the gasoline business for over 15 years and I've seen a lot of gasolines. But I've never seen anything like these two new gasolines our great expanded refinery is producing. You'll see the difference in your car's performance too."

D. L. Campbell,
Manager of Refineries, says:

"We have recently completed the construction of a great new plant, designed and erected with only one object—to produce the highest quality motor fuels. We are convinced that your use of these gasolines will convince you that we have achieved our objective."

R. E. Irwin,
Chief Chemist, says:

"These fine new gasolines have been laboratory and road tested at every stage of manufacture. They will give your car greater control of power, at both high and low speeds, than you have ever before experienced. We commend them to you with our unqualified approval."

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The Men of Miracles

Canada's Chemical Industries Speed National Development

By W. L. DACK

There's a secret force gradually penetrating your everyday way of life. It affects the clothes you wear, the tools you work with, the food you eat.

It's not a sinister force, for it's been providing a good part of the upward push in the standard of living.

It's that not-so-simple, everyday thing, called chemistry.

By its growing importance to a way of life, it has built around itself an industry that for dynamic growth and potentialities is immeasurable.

Now, just like the chain reaction rising from some chemical experiments, one development is leading so rapidly to another that even industry planners are a little startled.

There's been more money spent on new plant and equipment since 1945 than was invested in the entire Canadian chemical industry in 1939. Total dollar investment now runs well over $1 billion.

In 10 years gross value of annual production of chemical and allied industries has tripled to slightly less than $600 millions. Less than half the gain represents higher prices.

Operating income of three of the largest essentially Canadian companies has climbed steadily from an annual $6.2 millions in 1939 to $15.9 millions in 1949. At least 30% of total revenue is coming from products undeveloped 10 years ago.

By 1949, sales of plastic products had reached an estimated $45 millions annually, sales of chemical rubber $22 millions. Yet the rubber industry was nonexistent prewar, the plastics industry infinitesimal.

Chemical rubber production at Sarnia paved the way for plastics; this in turn led to ethylene-glycol, this to solvents. Chlorine and caustic soda were produced along the way.

War-born nitrogen plants for explosives manufacture have been converted to a peacetime, made-in-Canada fertilizer, now marketed all over the world.

A revolutionary new process in base metal refining, now in the pilot plant stage, could introduce an "all-chemical" process; it would provide a greatly expanded market for such basic chemicals as ammonia and sulphuric acid.

Independent investigations currently under way by two base metal companies could change the elemental sulphur picture in this country. It's all imported now from the United States.

Advanced studies into the utilization of peat in Quebec have shown that a series of products such as wax, lignins, humic acid — all with commercial possibilities in Canada — could be produced by solvent extraction process.

White-coated chemists in their labs will extend this list, quietly and without fanfare, until their product is ready for the retail or industrial market — ready to give our standard of living another boost.

That's the way the industry has been growing in the past 10 years — wider fields for basic products, more new products.

What's Ahead for Chemicals

And more big things are in the wind. The industry is just getting its second wind after its burst of postwar expansion.

Canadian Industries Ltd. has just announced construction of a $3 millions to $4 millions commercial explosives plant near Calgary. Other developments are past the "think" stage.

This week Monsanto (Canada) Ltd. told The Post about its $850,000 plant and equipment program to widen production of plastic raw materials.

Standard Chemical will steadily expand production of surface agents at its Longford Mills, Ont., plant; has other plans.

Dow Chemical (Canada) is just getting going in its product diversification program at Sarnia.

Polymer Corp. is steadily widening the range of its products.

Shawinigan Chemicals has new plans under wraps.

Several of the major companies have analytical eyes on Alberta. Big decisions could be forthcoming within the year.

But let's look back on the momentous 10 years in which the Canadian chemical industry has grown up. For it's during that time that much of the foundation was laid for today's expansion.

Who, prewar, envisaged anything like the tremendous developments in the synthetics — rubber, soap, fibres, alcohol, insecticides, etc. Even industry visionaries could not foresee the phenomenal expansion in the plastics field. Yet every new product as it came along superimposed a completely new market demand on the industry; rarely was it a case of replacing something else. The cumulative effect has been enormous.

The impact of all the change, plus a war, has been particularly great on the Canadian industry.

The sharp expansion in chemical production for military purposes left Canada with some $100 millions of new and expanded chemical plants plus an unmeasurable pool of chemical know-how. A large part of the wartime additions and new chemical initiative has been absorbed into peacetime production. In several notable instances, wartime developments have but served as a jumping-off place for further expansion and product diversification.

Look at the wartime investment in ammonia and ammonium nitrate plants in the order of $13 millions. Though this development boosted Canadian ammonium production from 125 to 600 tons a day, expanded plant capacity has been operating "all-out" to date, much of it on production of concentrated chemical fertilizers for the export market.

Polymer Corp.—rushed to completion under the urgency of war to help supply the Allied rubber requirements — is operating to capacity to supply domestic and export demands for chemical rubbers (current rate around 50,000 tons a year). Excellent results are being obtained in programs for further product diversification for peacetime markets.

At the same time, the high rate of activity at Polymer is maintaining the supply of ethylene to Dow Chemical for that company's expanding operations. But the list of adaptations of wartime plant and product to peacetime conditions is infinite.

Big Spending for Expansion

At war's end, the industry drew its breath and took a look at the future. What it saw ahead was promising enough to start on an immediate unprecedented $180 millions expansion drive.

Here is the expansion record of 10 of Canada's biggest chemical companies:

Canadian Industries Ltd. has spent over $21 millions since 1946 on new plant and equipment; approximately 30% of this for products not made prior to the war. The war-born nylon plant at Kingston has been expanded to over six times its original capacity. New plant for production of sulphuric acid was built in Hamilton in 1948. Other Hamilton construction, including insecticide plant, cost around $600,000. A new paint plant costing $2 millions was built in York township near Toronto in 1948. Expansion to Brownsburg plastic plant cost $208,000. It has opened a new $500,000 cellulose sponge plant at Shawinigan Falls. A nitric acid plant costing around $548,000 is being installed at Nobel, Ont. A $4 million extension to Cellophane plant is under way. CIL has just announced early construction of $3-$4 million commercial explosives plant near Calgary.

Dominion Tar & Chemical Co. spent $5.4 millions in 1948 and $3.3 millions in 1949, the chief project construction of a caustic-soda plant at Beauharnois, Que ($4.5 millions) and a new salt refinery at Unity, Sask. ($950,000).

Aluminum Co. of Canada constructed plant building at Arvida, Que., at cost of approximately $2 millions for production of chlorine and caustic soda (1947-48).

Consolidated Mining & Smelting Co. in 1946 purchased two wartime nitrogen plants from the Federal Government—one adjacent to company operations at Warfield, B. C. and one at Calgary, Alta. (Alberta Nitrogen Products). Both plants are devoted to manufacture of chemical fertilizers, chiefly ammonium nitrate prills.

Brunner Mond Canada Ltd. is spending around $1 million to expand output of calcium chloride at Amherstburg, Ont.

Dow Chemical of Canada Ltd. has a plant investment at Sarnia of around $15 millions, all built up since near war's end; includes a polystyrene plant, ethylene glycol plant, caustic-soda-chlorine plant. Plans to bring new $1 million solvents plant into operation by end of this year.

Electric Reduction Co., Buckingham, Que. started a $2 million plant extension program in 1948, bulk of expenditure to go on special equipment. The extension is expected to double capacity of phosphates and sodium chlorates.

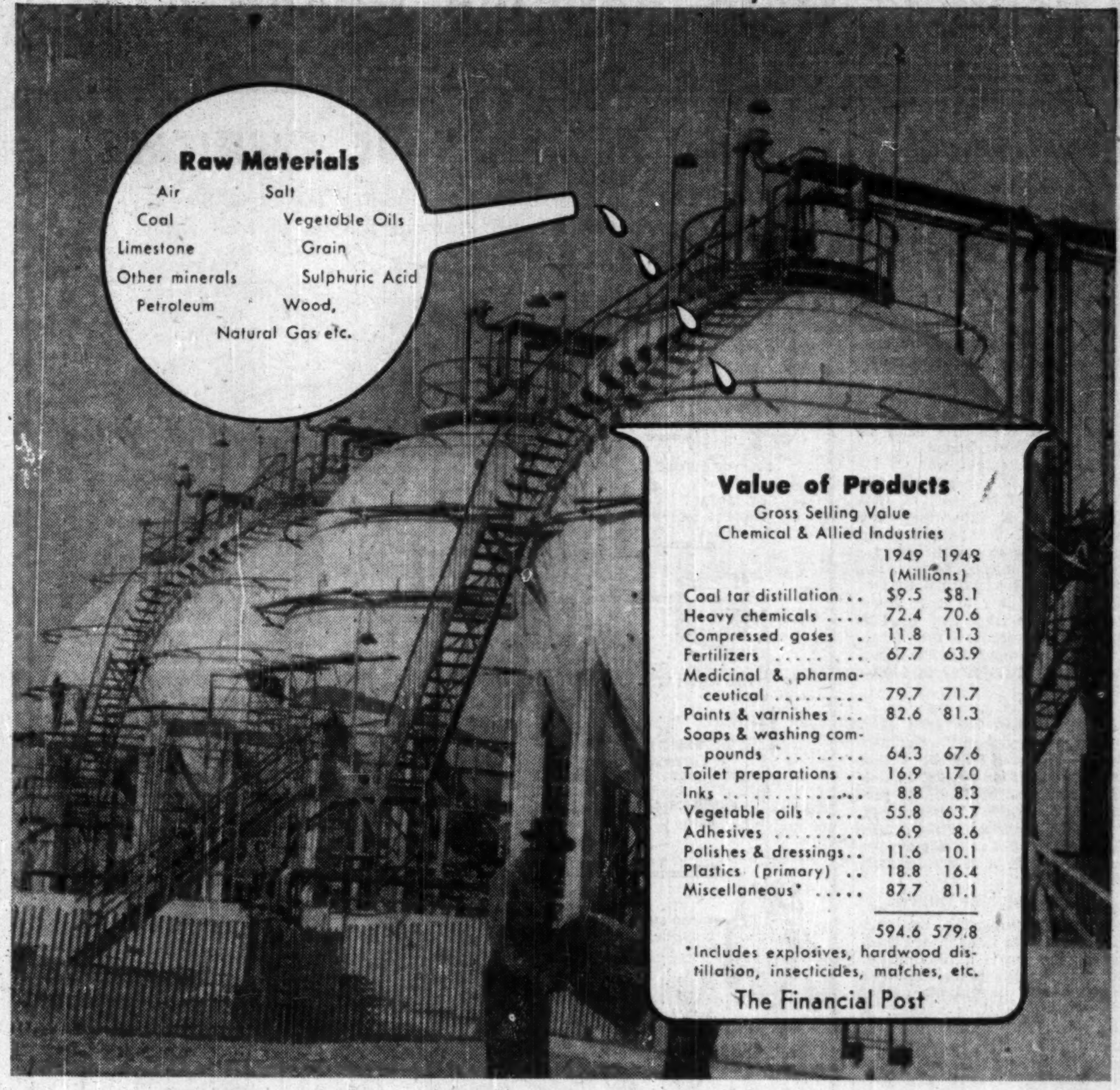
Monsanto (Canada) Ltd. constructed a new $225,000 plant at Ville La Salle, Montreal, for large-scale manufacture of industrial, agricultural and pharmaceutical organic chemicals (1949-50). Just this week announced $850,000 plant and equipment expansion program for manufacture of butylated melamine and butylated urea plastic resins.

Standard Chemical Co.'s wholly-owned subsidiary completed a new salt plant at Nappan, near Amherst, N.S., in 1947. Newly constructed Longford Millls planlt of associated company Chemical Development of Canada is starting production of new products including surface active agents used to manufacture many products including synthetic soaps and insecticides.

Shawinigan Chemicals Ltd. spent $583,000 in 1946 on new plants. Work started on additional unit for manufacture of acetaldehyde. Spent $1,444,000 in 1947 partly on completion of acetaldehyde plant and partly on early construction of new plants for production of butyraldehyde and monochloroacetic acid and also on new plant for vinyl acetate. In 1948 spent $1,743,000 to finish plants started the previous year and to increase capacity of acetylene black and acetic anhydride plants. Spent $878,000 in 1949 to complete former plant projects.

Chemical Magic Builds New Business

A few raw materials mushroom into many fields



Value of Products

Gross Selling Value
Chemical & Allied Industries

	1949 (Millions)	1948 (Millions)
Coal tar distillation ..	$9.5	$8.1
Heavy chemicals	72.4	70.6
Compressed gases .	11.8	11.3
Fertilizers	67.7	63.9
Medicinal & pharmaceutical	79.7	71.7
Paints & varnishes ...	82.6	81.3
Soaps & washing compounds	64.3	67.6
Toilet preparations ..	16.9	17.0
Inks	8.8	8.3
Vegetable oils	55.8	63.7
Adhesives	6.9	8.6
Polishes & dressings..	11.6	10.1
Plastics (primary) ..	18.8	16.4
Miscellaneous*	87.7	81.1
	594.6	579.8

*Includes explosives, hardwood distillation, insecticides, matches, etc.

The Financial Post

Chemical companies are rather unique in that they can rarely make a product without at the same time producing one or more by-products. The by-product for one company may be chief product for another company using same process.

One Product Leads to Others

As more facilities for production of basic chemicals come into operation, more new developments for use of the extra output, primary and by-product, have to be found. This is illustrated by the sharp increase in the caustic-soda and chlorine industry since war's end as exemplified by plants installed by Aluminum Co. at Arvida, Dom. Alkali & Chemical at Beauharnois and Dow Chemical at Sarnia. Since chlorine and caustic-soda are both produced from the same process, marketing of both at uniform rates becomes a tricky problem. Aluminum is primarily interested in the caustic-soda which it uses in its own metallurgical operations. It has to find a market for the chlorine produced. The case is reversed with Dow Chemical. Chlorine is required for the ethylene glycol plant and markets had to be found for the caustic-soda.

It has often been said that the best barometer of a country's economic health is its sales trend in sulphuric acid. This basic chemical is essential to a broad range of industry and its production figures reflects the ups and downs in the business cycle. Production last year in Canada reached a record high of 705,000 tons. That was almost double 1940, and topped even peak wartime figures when requirements for use in explosives was so high. In 1948 when 667,000 tons were consumed 70% went to manufacture of fertilizers, 59,600 tons for making other heavy chemicals, 35,000 tons for coke and gas plants, 20,000 tons for explosives, 20,000 tons in petroleum refining, 21,000 tons in iron and steel plants, 12,500 for textiles and 26,000 tons in other industries.

Alberta's Chemical Future

The discovery and rapid development of oilfields in Alberta far outweighs everything else at the moment in the chemical future. The province has all the raw materials with which to do everything the big chemical industry of Texas does.

There is only one important difference—markets. Texas is situated on tidewater, served by cheap water transportation. Alberta is located far inland, removed economically from the highly industrialized East by high-cost rail hauls and from the U. S. by high tariffs. Ammonium nitrate is about the only product now being sold competitively out of the province.

Although eventually the basic factor of tremendous supplies of low cost energy in the form of petroleum and natural and waste gases will prevail, for the near term chemicals officials see tariffs and rail hauls sharply limiting Alberta's chemical potentialities.

They see the U. S. tariff policy of affording free market entry for many raw materials but imposing prohibitive tariffs against manufactured items as hitting particularly hard against the Canadian chemical industry. Take the case of the heavy volume item, ethylene glycol. It sells around same price as in U. S. markets, but U. S. duty alone is 6c a lb. plus a 30% ad valorem. This would price the product far out of the big U. S. market. The current duty on methanol is 18c a U. S. gal. but price of methanol in the U. S. is around 26c-31c.

At the moment, tariff changes being considered in the United States would affect the export picture for certain semi-processed and manufactured chemicals in this country. The industry is watching results closely. Any important tariff reduction on such goods entering the U. S. could have a considerable impact on the market outlook for the industry.

$20,000 to Provide Each Job

Here is another equally basic consideration in the chemical industry in this country. Indirectly it has a bearing on the tariff situation as well. In no other industry are initial plant and equipment costs so high. At the same time prices of goods to be sold are usually quite low. This in itself has served to douse cold water on many ambitious construction plans, and when the indicated market is small, as is the case in Canada, it takes a good deal of courage to put up the construction money.

It's a rough rule of thumb that plant capacity can be doubled by increasing capital just 40%. Canadian industry usually can't take advantage of this diminishing cost factor. As a result capital costs in Canada are said to be about double those in the U. S. A contributing factor here, of course, is the high tariff on imported U. S. equipment much of which is not available in this country. The industry generally has some compensating advantage, however, in the relatively small labor requirements. This brings plant investment per employee (on postwar plants) to around $20,000, which is probably our tops for industry.

But for any company that is first in the market with a newly developed product, the profit return is most attractive. That firm is able to recover a large part of its initial cost before the competitive factor becomes too serious and reduces profit margins. Very often in the past Canadian firms have been forced by circumstances to await full development of new products in the U. S. before going into the field. But this is changing.

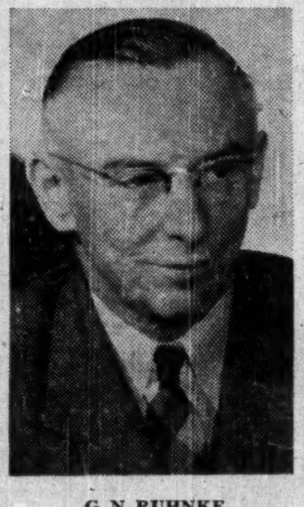
Perhaps the most promising sign for the industry's future in this country is the growing trend among chemical and allied companies toward original research. This is the unmistakable mark of a maturing industry; of one that's ready to stand on its own feet and spend money to create new and better products for new markets.

But the biggest thing in the industry's favor—the factor likely to pay off increasingly as Canada's expands — is the bountiful supply of raw materials, coal, oil, natural gas, timber, water power, various minerals. Erected on such a solid base, the Canadian chemical industry can but go ahead.

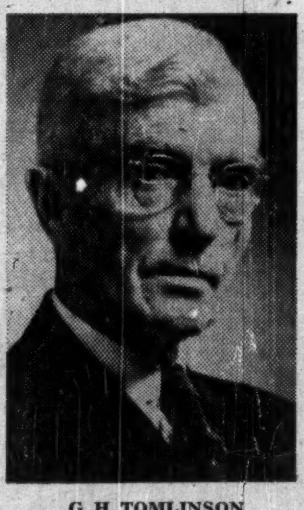
These Are Among the Leaders in Canadian Chemical Research

R. K. LARMOUR
Director of Research, Maple Leaf Milling Co., Toronto
Scope of projects cover all flour mill and related problems; factors affecting quality of present products, search for new products, problems of packaging, plants and fundamental studies of wheat components.

R. H. MANSKE
Director of Research, Dominion Rubber Co.
Specialized in synthesis, constitution and degradation of alkaloids; isolation of alkaloids and other plant products; synthesis of phyto-hormones: indol compounds; quinolines; herbicides; insecticides.



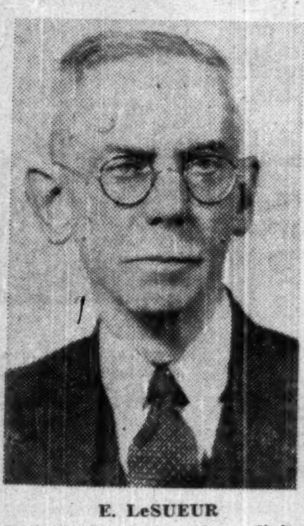
G. N. RUHNKE
Director of Research, Ontario Dept. of Agriculture, Chairman of Graduate Studies, Ontario Agricultural College, Guelph
Conducted important investigations on phosphates in soils, also physical and chemical studies of soil profiles.



G. H. TOMLINSON
Vice-President and director, Howard Smith Paper Mills and the Arborite Co.
Has developed several processes relating to manufacture of chemical wood pulp and more particularly to the utilization of pulp mill waste liquor to the benefit of his own companies and the pulp and paper industry.

R. W. DIAMOND
Vice-President and General Manager of Consolidated Mining & Smelting Co.
Was chiefly responsible for application of selective flotation processing to the rich ores of Smelter's Sullivan mine. Was big factor in the growth of the company chemical division.

T. THORVALDSON
Dean Emeritus of Graduate Studies, University of Saskatchewan.
Noted for his research work on the silicates and aluminates of calcium and on Portland cement. Has published research papers on atomic weights, thermochemistry, hydrometallurgy of zinc, selenium in wheat.



E. LeSUEUR
Retired chemical engineer living in Ottawa.
Developed an electrolytic process for manufacture of caustic soda and chlorine from salt; work in lighting towns by calcium carbide; important explosives work during World War I; liquid air experiments.

R. K. STRATFORD
Director of Technical and Research Dept., Imperial Oil Ltd.
One of major achievements — development of the phenol process for treating lubricating oil —a process which is now used in producing between 40 and 50% of world's lubricating oil.

Chemists Help Farmer Produce Bigger Crops

Fertilizers, Pest Control Are Big Aids

For years white-coated chemists have worked hand in hand with overalled farmers.

These were some of their problems:

—Putting back into the soil the fertility drained out by the constant production of crops under cultivation.

—Putting into some types of soil elements not there in sufficient quantity to raise the kind of crops the farmer wanted.

—Waging constant war on insects, weeds, fungus growth, etc.

What was the result of that combination of laboratory and field research? What will it mean to Canada's agricultural future?

Last year Canadian farmers applied a record of 740,000 tons of chemical fertilizer to their fields. It was double what they used in 1939. It represented the third-largest dollar market in the Canadian chemical industry in 1949—$67 millions.

That's on the growing side.

The expansion has been even more phenomenal on the "killing" side — to get rid of the weeds, insects, etc. It isn't equal in dollar volume to the fertilizer section, but sales of herbicides, fungicides and insecticides is now running over $14 millions a year, compared with a few thousands 15 years ago.

Annual Toll $350 Millions

It's still growing, too. Research chemists across Canada are busy "whomping up" still deadlier scourges for the pests that take an estimated preventable toll of around $350 millions a year. It took a war with its booming produce prices to start the fertilizer-pesticide ball accelerating. Now, well-directed industry and government educational programs are helping keep the trend line climbing.

Most exciting developments have been taking place in the pesticide field. New herbicides, fungicides, insecticides have been hitting the market in a steady stream.

Generally speaking each is a little more specialized than the one before. Some, like the widely used herbicide 2-4-D, or the revolutionary insecticide DDT have represented remarkable advances. This summer the Prairie Provinces will be introducing Aldrin—powerful ammunition for fighting the annual grasshopper plague. It is cheaper than chlordane and experts say it is just as effective.

Here's one specific example of how a chemist can concentrate on a crop:

The whole complexion of the carrot-growing business has recently changed due to a weed killer of completely petroleum origin. Sprayed over the entire carrot acreage or just over the rows, all the weeds are killed without damage to the carrots. This is permitting commercial cultivation of carrots over much greater areas.

A completely new approach is being investigated in England — systemic insecticides. Here the insecticide is fed to the plant and taken up into its circulatory system. The insect dies when it eats the leaves or stocks. If successful, this development might change the whole insecticide picture.

Plans for "Dusting"

Getting the "killer" powder or spray to the crop has always been a problem.

Hand in hand with the increasing specialization in pesticides has been the growing use of airplanes in dusting and spraying. The biggest dust crop in the East is tobacco; second in importance is the cannery pea crop. In the West huge fields of grain makes extensive airplane use more practicable.

Some four or five years ago herbicides to attack the weeds were hardly used in the western provinces. Last year some eight million acres were treated for weeds by 2-4-D alone. The early estimate for this year runs between 10 million and 15 million acres. Increased crop yield of at least five bushels per acre is usual where recommended herbicides are used at correct time. Application of 2-4-D in western grain crops costs around $1 an acre, of which the material cost is less than half.

A widening use of 2-4-D and 2, 4, 5-T is seen in eradicating woody growth along roadways, power and telephone lines, pastures and ranges. A new chemical, TCA, promises to be an effective control of quack grass when applied as a spray in strong doses.

But like all new business, the pesticide one is suffering from growing pains at the moment.

Since initial capital investment to turn out products of simple formulation is comparatively low, many producers rushed into the field. Specialization in some instances was carried to extreme lengths. But increasing competition and rigid government product controls may narrow the field considerably by next year.

A warning has come too from the U. S. Department of Agriculture to the effect that "technical" grades of DDT and benzene hexachloride have been found to "poison" soils which had been treated over and over again. This, they say, may lead to crop reduction with the eventual result that soil would become unproductive for 10 to 15 years. This is a serious possibility, but Canadian chemical firms say there is not sufficient evidence to support such a contention.

Federal and provincial agricultural agencies are co-operating increasingly with industry in the broad educational program designed to acquaint food growers with the different fertilizers and pesticides and what they can be expected to do. Every fertilizer and pesticide must be registered with government agencies. Advisory fertilizer boards including agricultural experts, farm representatives, and company technicians meet regularly to draw up broad recommendations and to advise on best products for the food grower.

The Chemical Fertilizers

The farmer knew that by such means as crop rotation and "resting" his land (letting it lie idle for a season, then plowing under the grass or cover crop) he could help nature rebuild some of the elements in the soil. But was it enough?

That's where the chemist stepped in with man-made elements — the chemical fertilizers.

He varied the chemicals to suit the soil, or to suit the combination of soil and crop.

He proved that by judicious use of those chemicals, worn-out land could be made fertile again, some crops could be brought to harvest earlier to get better market prices, and, on the average, bigger crops would result.

Nitrogen is one of the most important of plant nutrients; unfortunately it is also the most rapidly depleted from the soil, and although inexhaustible supplies are present in the air, only a very few plants can utilize it as such.

Therefore the manufacture of nitrogen compounds — ammonia, ammonium nitrate, ammonium phosphate, ammonium sulphate, etc. — represents a major slice of the fertilizer industry.

Until recently most of the fertilizer nitrogen in Canada has come as a byproduct from gas works and the coke ovens of the major steel companies — Dominion Steel & Coal, Algoma Steel, Steel Co. of Canada. Today the conversion of atmospheric nitrogen to plant food is another answer to the world's growing need for soluble nitrogen.

Other Plant Foods

The two other most important chemicals for plant foods are phosphorus processed as super and ammonium-phosphates from imported phosphate rock, and potassium, imported as potassium chloride or sulphate.

One hundred years ago Canada was the world's largest exporter of potash — all derived from literally "ashing" hardwood timber. The burning mills, where the ashing was done, were Canada's first chemical plants. Great forests of heavy hardwood were cleared to supply this industry. Today Canada has to import almost all her potash requirements. The picture could change, however, if someone decided to develop Saskatchewan's known potash beds.

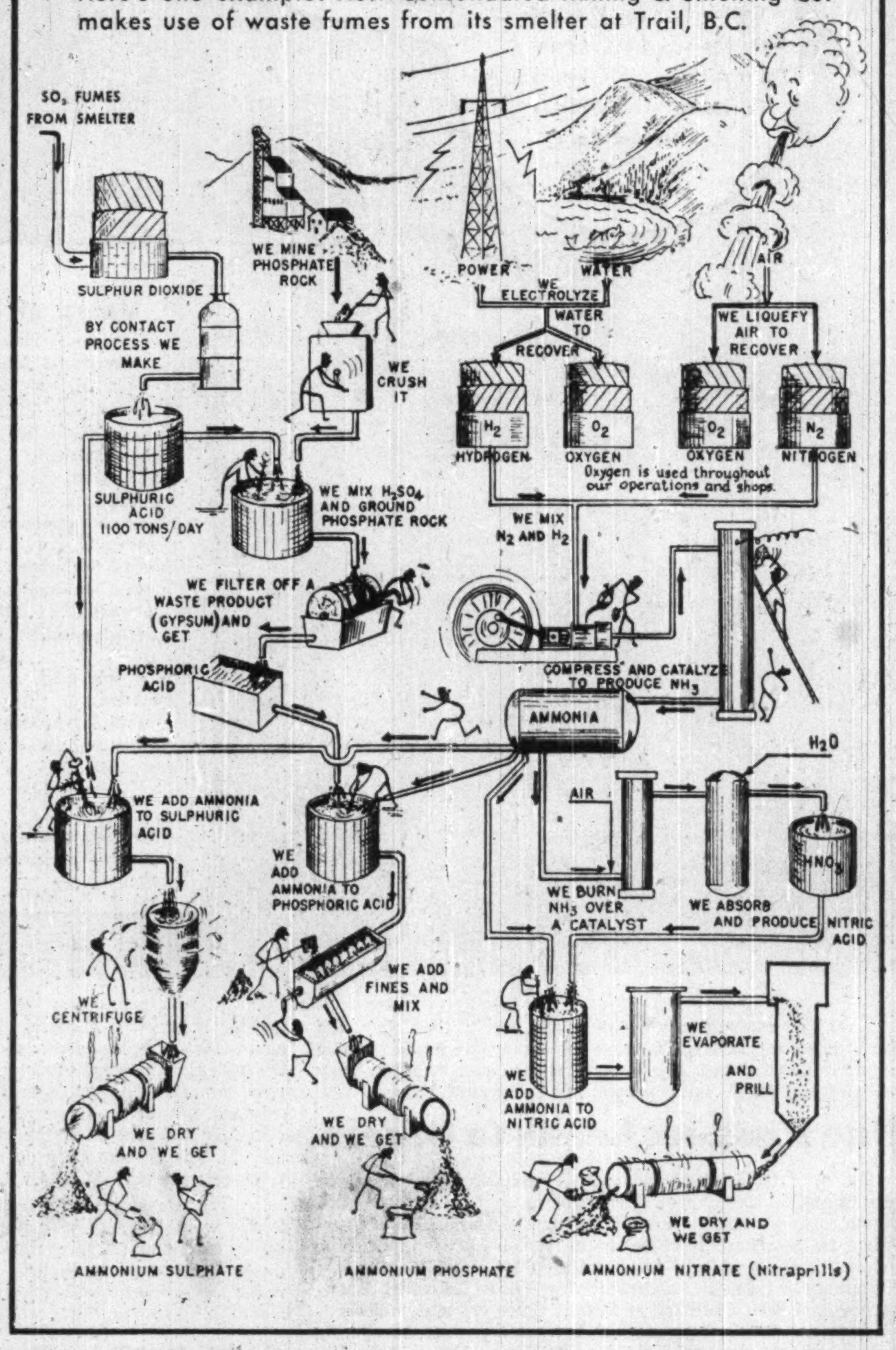
Commercial fertilizers may carry one, combinations of two, or all three of the above elements.

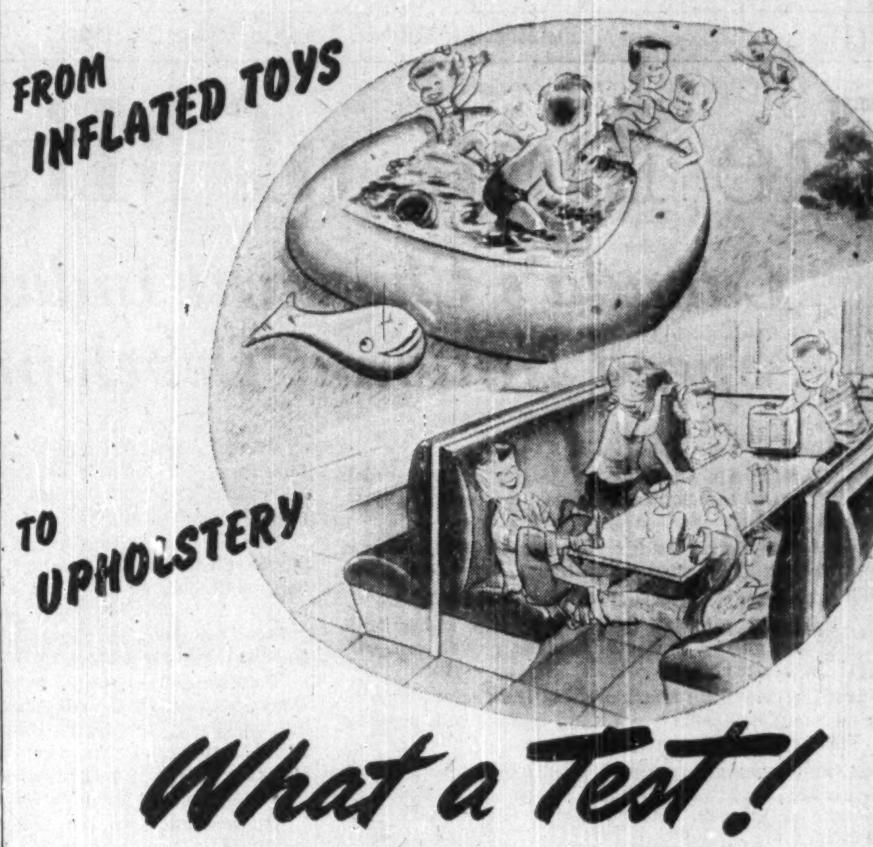
Figures are used to denote percentages of the different elements in making up the fertilizer. For instance, a 5-10-13 fertilizer contains 5% nitrogen, 10% phosphate (expressed as phosphoric acid

(Continued on page 29)

THE WIZARDRY OF CHEMICALS

Here's one example: How Consolidated Mining & Smelting Co. makes use of waste fumes from its smelter at Trail, B.C.





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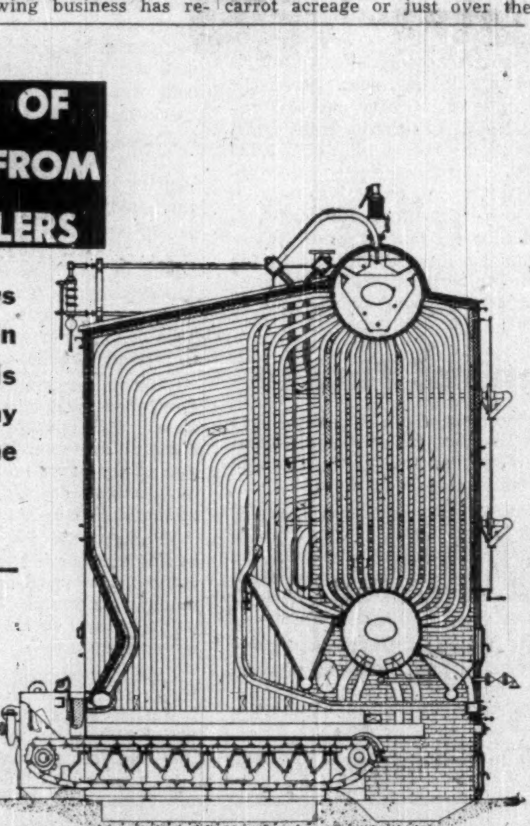

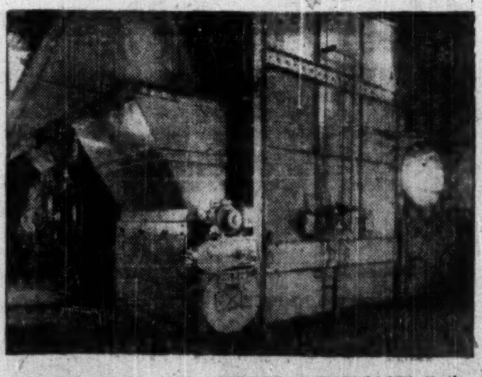

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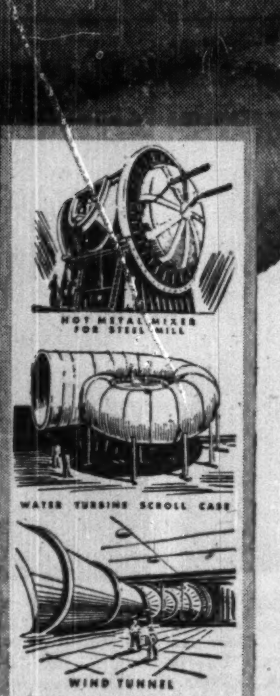

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How Chemistry Builds Better Homes

Lab Test Tubes Help Produce Better Concrete, Floors, Etc.

By. CLIVE CHATTOE

Six or seven years ago most of the glib theorists about technical progress for better, cheaper building were ecstatic over possibilities in 100% prefabrication -- giant assembly lines spewing out whole houses to be set down on the buyers' land days later ready to live in.

So far few of the 20 or 30 major prefab plants set up in Canada and United States have succeeded in producing a full-size ready-made house that meets local building codes, market price standards or popular taste. So "prefabrication" now is seen for what it has been all along—(a) factory assembly of house parts by processes progressively more complex and various; and (b) better organization of on-the-job assembly and erection of parts.

What, then, is left for the dreamer and planner of the brave new "house of tomorrow"?

Chemistry, for the moment at least, appears to be carrying the ball for technical progress in construction. The chemist today clearly is doing more than any other single "member" of that vast industry to keep you — as buyer or user of a new house, hospital, bridge or building — sound, safe, sane . . . and solvent.

Here's some of the test tube magic that in recent years has been pointing the way to better, cheaper building and houses that are more fun to own and live in.

Synthetics Gain Wide Use

Even the ancients are "new" these days, after the lab gets through with cement, glass and wood. Newest complete group, though, is plastics and now gaining fast in decorative molding, light fixtures and electrical systems, floorings, wall tiles, translucent glass-like blocks, panels and the like.

Various authorities, said Canadian Industries Ltd.'s C-I-L Oval recently, attribute the invention of modern plastics to a Frenchman, an Englishman and a German. Encylopaedia Britannica says the first true plastic was "evolved" in 1863 by John Wesley Hyatt, a young American printer who, attempting to make a synthetic ivory for billiard balls, came up with cellulose nitrate plastic, later called celluloid.

Then Flemish-born Leo Baekeland, searching for synthetic varnish resin in the early 1900's, developed bakelite, first plastic to find use in housebuilding. Harder than amber, nonsoluble, nonabsorptive, a poor conductor of heat and electricity, it was quickly accepted as a material for use in electrical equipment.

But most of the present-day plastic materials used by builders are made from chemicals other than the phenol-formaldehyde resins of which bakelite was developed.

Of the immense volume of plastics produced, a large part goes into floor coverings, with polyvinyl chloride the most popular base. Flooring tiles made from this chemical compound are noted for resistance to wear, moisture, solvents. Asphalt tile, another type of floor covering, depends on synthetic resins for its lighter shades of color.

Big Role in Electricity

Perhaps few homeowners realize that not one but several types of plastic coating to insulate electric wiring are fast replacing the coatings of a dozen years ago. Coatings of polyvinyl chloride, polythene and neoprene are now used extensively for this purpose.

Plastics have an important place in lighting fixtures. Urea formaldehyde provides molded electric accessories such as wall switch plates, ceiling receptacles, reflectors, sockets, plugs and the like. Here, too, increasing use is being made of the light diffusing characteristics of certain transparent or translucent plastic material that became familiar to many in its wartime role of aircraft cockpit coverings. Now it's seen in reflectors, enclosures for fluorescent lights and other fixtures.

In the bathroom, plastic wall tile has given conventional ceramic tile a tough competitive battle on price, ease of installation, color range, lightness (to help save costs of heavy structural members). Its chemical base is polystyrene, product of the petroleum industry.

Among the plastics industry's most recent achievements in utilization of lignin in making laminates for counter and table tops, panels, wallboards and the like. Lignin is the natural bonding agent in ordinary wood, being present to the extent of 20% to 30%, depending on species. When wood is converted into pulp by an alkaline process, the lignin passes into solution known as "black liquor."

In the course of a wartime research project in Howard Smith Paper laboratories and under direction of G. H. Tomlinson and G. H. Tomlinson, Jr., a practical means was found to isolate the lignin from black liquor without destroying its valuable plastic qualities. Further tests showed that this natural bonding agent could be used to produce a new laminated wallboard and surface panel with high impact strength, hardness, smoothness, resistance to heat, cold, bacteria, fungus, deterioration from age.

"Shock" Changes Wood

Another valuable assist to homebuilders and architects by scientists of the pulp and paper industry is the development of a pulp wallboard by modifying the basic structure of the wood with heat and pressure.

All wood contains cellulose, a tube-like cell structure. After shredding the wood, chemists put the chips into a cylinder and explode the cellulose by blowing its tubes full of steam, raising the pressure to 1,000 pounds then suddenly dropping it to atmospheric pressure so that the cellular walls collapse under the shock. The mash is then subjected to high temperatures and pressed into desired shapes and sizes. Natural lignin provides the basic bonding agent, though resins are added in the tempering process. Final result in a versatile, durable construction board.

Chemistry has been the making of plywood as a structural and decorative material. Plywood, a waterproof building material, is made of layers of wood bonded together usually by chemically produced resin adhesives, principally urea-formaldehyde types. Prewar plywoods were bonded with ordinary water-soluble wood glues for the most part. The new resin adhesives have greatly increased plywood's use as paneling inside and outside, partitions, subflooring and in making forms for shaping poured concrete.

Chemists in relatively recent years have almost startlingly enhanced the value and increased uses of wood generally, perhaps the oldest building material known to man. They found that urea crystal helps keep wood from cracking during its seasoning process, that mercurials and other disinfectants help prevent discoloration.

They've learned how to harden softwoods by impregnation with resins under high pressures and temperatures; how to preserve it when used in damp rooms or underground through the application of such chemicals as creosote, zinc chloride, copper napthenate and chlorinated phenols; how to increase wood's resistance to fire, dry-rot, fungus and insects.

The fresh, colorful, long-lived protection of modern paints, varnishes and synthetic lacquers is another relatively recent triumph of chemistry in construction, that and tapered nylon brush bristles, soft and workable, readily washable in soap and water, already widely used by painting contractors.

One example of paint progress: Oil resin emulsion paints, made by suspending one liquid in another in which it won't dissolve or mix. They're a combination of oils, resins, pigments and water. After application, the water evaporates, leaving a surface which can be washed and still remain durable. Paints and varnishes common today—with their intricate chemical composition, processes and control—are a far cry from those of the World War I era when most were made of a few simple ingredients.

Concrete Also Is "New"

Not usually classified as a chemical material, concrete actually is one, containing cement, sand, crushed stone or gravel and water. Common or Portland cement is a mixture of titro-calcium aluminoferrite, tricalcium aluminate, tricalcium silicate, dicalcium silicate, a little free lime, some gypsum. Chemists know that much but are still trying to determine the exact chemical reaction responsible for the hardening characteristics that make this material basic to building everywhere.

Chemists meanwhile have developed many new ways of improving cement and concrete to meet today's needs.

By adding iron oxide and maintaining a high ratio of silica to iron and alumina in the cement, and later by adding finely ground silica to the concrete and steam-curing it, Canadian researchers have made great strides toward preventing the type of damage which sulphate-bearing fresh water had been doing to building foundations, notably in the Prairie region.

By trapping air bubbles in fresh concrete, cement research groups have increased the resistance of concrete to damage caused by freezing and thawing, and also to the scaling caused by salts used to thaw ice on paved streets and highways. By adding powdered aluminum, they've produced a lighter, more porous concrete, too light perhaps for foundations but just right for roof deck slabs.

Chemical processes have developed types of concrete with increased heat absorption to help keep you warm, fire resistance to help keep you safe, sound absorption to help keep you sane. They have developed lower-cost quicker-hardening concretes, lightweight, corrosion- and moisture-resistant concretes which will stick to glass, metal or wood, and long-wearing cement flooring materials which stay shiny without waxing.

Glass in New Guises

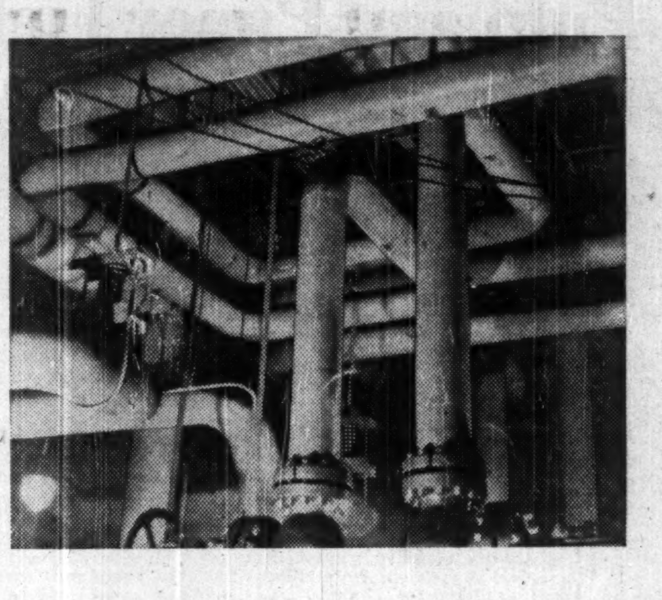
First use the building industry made of glass was in window coverings. Today infinitely more colorful and versatile, glass is bent, drawn, cast into many forms, including fibres for fire-resistant fabrics. Glass building blocks are being used increasingly in wall, partition and panel construction. Blocks or panels of foamed glass containing thousands of air bubbles per cubic inch are a new material making insulation history.

Chemistry's main contribution to this progress has been in means of process development and control, helping glassmakers to find improve and maintain the new strengths and new characteristics that are making glass perhaps our "newest" old material.

Among the metals used in building construction, aluminum refined from bauxite ore by electro-chemical methods is gaining wide acceptance. Recent figures show that 35% of Canada's aluminum production used here is turned to building purposes. Light, strong, corrosion-resistant aluminum today increasingly is used as outside facing on homes and buildings, including farm structures, as window frames and sills, blinds, canopies, interior trim, in ventilation and ducts and electrical conduits.

Chemistry in construction isn't a new story. The Babylonians, Egyptians and Romans began it with heat-treatment to initiate chemical action in making bricks without straw as a binder, cements and mortars for quick hardening in stone arches or under water.

But the chemistry lab almost overnight has become a major and acknowledged segment of the building industry, one to which more and more architects, engineers and builders look for biggest technical gains in the next half-century.



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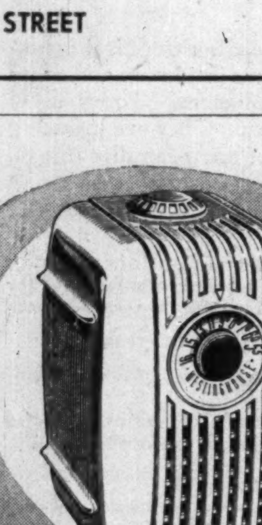

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Chemists Expand Pulp and Paper Field

Wide Variety for More Uses Keeps Coming From Test Tubes

By PAUL DEACON

What's the magic wand of chemistry doing for the pulp and paper industry?

Like the trees themselves, it's spreading new branches in steady growth, making the old ones bigger, stronger.

Newsprint has dominated the industry for many years. It will continue to hold an all-important position. Through the combined efforts of the chemical and mechanical engineer, it will be stronger, better, whiter newsprint.

But the chemist's talents are making possible Canada's growth as an important producer of pulp for other grades of paper, for paperboard, and for other uses such as rayon.

Basic advantage of the chemical pulps is that they provide longer and stronger fibres and whiter products than mechanical pulp (groundwood). Main use of groundwood is for newsprint, and with improvements in the grinding process, the quality is such that as little as 10% unbleached sulphite can be mixed with it to make good quality newsprint.

However, in other papers and boards, standards of strength, color, degree of brightness and so on are more exacting. Among the chemical pulps, kraft is strongest, followed by sulphite and soda pulp in that order.

The Change in Kraft Pulp

For some time, for instance, sulphite pulp was preferred for such things as book papers and wrappers because of its superior bleaching qualities. Kraft was used mostly where strength rather than whiteness was the most important characteristic.

Now, however, improvements in the chemical process of bleaching kraft have greatly increased demand for this pulp, both for its strength and its color properties. Indeed, some authorities feel that because of the developments in kraft bleaching, sulphite may gradually revert to a relatively minor role in the pulp and paper picture.

Kraft pulps, especially, have taken the container field by storm. Corrugated and solid fibre cartons have virtually eliminated wood containers except for shipment of very heavy products. In the food business, where improvements in packaging have been a feature in recent years, the improved chemical pulps have enabled paperboard makers to offer a wide variety of colorful cartons and packages which catch the customer's eye, make him reach for his purse.

Chemical treatment of the papers has made possible use of multi-wall paper bags to carry citrus fruits in safety. Development of fast-frozen foods proved a natural for kraft containers. So did the trend of chain stores to sale of milk in non-returnable containers to save double-handling of milk bottles.

Lower freight costs have resulted from the switch to paperboard, widening the market through lower prices to the consumer. With higher labor costs, paperboard has lent itself to easier application of automatic packaging machinery.

Although the mechanical engineer has contributed much to the product improvements through better-designed equipment, to the chemist belongs a major part of the credit for the phenomenal growth of the pulp field, observers say.

What this has meant to the industry and to the whole economy is illustrated by Canadian pulp production figures:

	Bleached Sulphite	Unbleached Sulphite	Kraft	Total Chemical	Total All Grades
1934	340,262	650,380	205,980	1,241,570	3,636,335
1939	404,268	624,552	292,066	1,370,208	4,166,301
1944	585,699	1,023,930	467,726	2,157,995	5,271,137
1948	735,346	1,402,448	816,438	3,116,731	7,634,320
1949*	641,000	1,350,000	855,000	3,000,000	7,300,000

*Estimated.

Output of all grades for the 1934-48 period was up 110%; all chemical, 151%.

Output of unbleached sulphite (a large proportion is used in newsprint) was up 116%. Bleached sulphite, used in bond papers, wrappers, etc., was up about the same amount, but kraft was nearly 300% higher.

This rush to kraft has been even more pronounced in the U. S. Bleached kraft output there in 1934 was 95,477 tons, last year was 1.4 million tons. U. S. unbleached kraft production in 1934 was 1.1 million tons, last year was 4.6 million. Newsprint production in the same period has dropped from 960,000 down to about 915,000 tons.

Bigger U. S. Demand

Important to Canada is the remarkable increase in U. S. paper and paperboard production which totaled nine million tons in 1934 and is expected to hit around 23 million this year. It has meant much higher demand for Canadian pulp with imports from this country (including some mechanical) now running around 1½ million tons against half a million prewar.

Canada's own paper and board industry has also grown by leaps and bounds. Value of paperboard output has jumped from $13 millions a year to about $80 millions in the last 15 years, with a volume increase from 280,000 tons to about 300,000 tons. Book and writing papers at $40 millions-$45 millions are about four times prewar, wrapping at $30 millions over three times, tissue at $14 millions about five times.

In the postwar period, Canada has added nine new pulp and paper mills, all of them for chemical pulp and chemical pulp products. Among these have been Bloedel, Stewart & Welch's new 200-ton unbleached kraft mill at Port Alberni, B.C.; Fraser Companies' 120-ton unbleached kraft mill at Newcastle, N.B. and new bleaching plant at Edmundston; Marathon Paper Mills of Canada, 300 tons, bleached kraft at Marathon, Ont.; Long Lac Pulp & Paper, 300 tons, bleached kraft, Terrace Bay, Ont. At Nanaimo, B.C., H. R. MacMillan Export Co. starts production this summer of its 200-ton bleached kraft mill and next year Columbia Cellulose at Prince Rupert will go into production of dissolving pulp, a high quality sulphite used in rayon manufacture.

Continue Chemical Research

Strangely enough, chemists don't yet know why one cooking process produces a stronger end product than another from the same wood, and this problem is one whose solution is a major target for those currently engaged in fundamental research in the industry.

Wood consists roughly of one half water, one quarter lignins and one quarter cellulose fibre. To make pulp, wood chips are cooked in chemical solutions to remove some of the lignins and the water, leaving the cellulose fibres. These fibres retain most of their length and strength in the process and can then be bleached with chlorine compounds.

To make sulphite pulp, the chemical solution is a calcium or magnesium bisulphite solution; for kraft, a caustic solution containing 25% to 30% sodium sulphide. For "semi-chemical" pulps which are starting to come into wider use, sodium sulphite, sodium bicarbonate or other solutions are used.

Soda pulp, used mostly in book, blotting, filter and writing papers, is made from wood chips cooked in a strongly alkaline solution which is chiefly caustic soda. There's only one soda mill in Canada—that of Howard Smith Paper Mills at Cornwall. Made from short-fibred woods such as poplar, it makes a soft, bulky pulp which gives a good formation to paper. The kraft process was developed from this process.

Use More Tree Species

As these various pulps have been developed, the chemists have gradually enlarged the variety of woods suitable for pulping. Hardwoods, which proved difficult earlier, are now being used to a greater extent, and this is making possible more complete utilization of the forests.

Over the long term, this greater utilization of the forests means longer life for the pulp and paper industry, improves chances of keeping forest operations on a sustained yield basis. Estimates vary as to the amount of pulp and other wood products which Canada can produce from her accessible wood lands, but foresters agree that improved harvesting and development of methods to make better use of what is cut can greatly increase the value of forest products and by-products.

Chemical and mechanical engineers have combined to eliminate a lot of waste in the mills too. Improved equipment and processes have led to saving of fibre, fillers, heat and chemicals used in pulp making. More accurate control of the process has led to more uniform pulp and better bleaching. Their work has contributed in large measure to the tremendous growth of the rayon Cellophane and other industries through development of methods of making high quality pulps.

The chemists' work in the pulp and paper industry has also been a boon to Canada's chemical industries. An example is Dominion Alkali & Chemical's new $5 million caustic soda and chlorine plant at Beauharnois, Que., which went into production last year. Most of its output is used by the pulp and paper industry, and its erection was a direct result of the growth of chemical pulp production.

There was only one producer of caustic soda and chlorine in Canada in 1939 outside of pulp mills which had their own alkali-chlorine cell units. Four have been added since the war. In 1922, Canadian chlorine output was 10 tons a day. Now it's about 350 tons, about three-quarters of it for pulp and paper.

What Canadians Have Done

Canadian chemists have given the world's pulp and paper industry new processes which have become an integral part of present-day manufacture. George H. Tomlinson Sr. of Howard Smith Paper Mills developed a water-wall recovery furnace which has been adopted by kraft mills all over the world. This enabled conservation of heat and improved the recovery of chemicals, reducing the cost of kraft manufacture. He also developed a magnesium base sulphite cooking process which is expected to further economize the fuel and chemicals and may solve the waste sulphite liquor disposal problem.

Other Canadian chemical engineers who have made important contributions include John S. Bates, whose process for clarifying kraft green liquor has become standard practice; C. B. Decker (Price Bros.) for his work on semi-chemical pulp manufacture; H. J. Rowley at Anglo-Canadian Pulp & Paper for his modification of the sulphite cooking process.

Looking into the future, the industry sees growing importance for its byproducts. Here again, the chemists will play a big part. Already many are adding to the growing volume of Canadian industrial output.

At Gatineau, Que., Commercial Alcohols Ltd. is making denatured alcohol from sugars contained in waste sulphite liquor piped from Canadian International Paper's adjoining paper plant. Ontario Paper Co. has a similar operation on a smaller scale at its Thorold, Ont., plant. Howard Smith's subsidiary, Arborite Co., is making a laminated plastic board using lignin recovered from the pulping process. Nearly 20% of Canada's yeast used for baking purposes is made in a process utilizing sulphite liquors. Other by-products here and in other countries include turpentine, vanillin, and tallol (used in soap-making).

Will Continue Research

In the last year or two, the Canadian pulp and paper industry has directed a lot of attention and increasing sums of money to further research. In this work, chemical men are expected to be an important factor.

Some idea of the scope of future research was indicated in an address earlier this year by Dr. L. R. Thiesmeyer, president of the Pulp and Paper Research Institute of Canada. He told members of the Woodlands Section of the Canadian Pulp and Paper Association that the application of radio-active materials to forest management and forest utilization problems may some day more than pay the entire bill for atomic development to date.

The new tools of the atomic age will aid greatly in regeneration, nutrition and stimulation of tree growth, assist in exterminating insects and disease now destroying forest crops.

"In silviculture, re-stocking, forest entomology and forest pathology, genetics and other fields, there are literally thousands of new avenues that should be explored with these atomic techniques," he said.

BEVCOURT GOLD MINES, in April, 1950, made a contract with Perron Gold Mines to mine and mill 50,000 tons of Bevcourt ore, largely from stopes to be established above the 800-ft. level and the 1,000-ft. level. Milling is to be completed by Oct. 31, 1950, and average grade will be controlled with ore from the No. 4 vein on the 600-ft. level and the No. 8 vein on the 1,000-ft. level. Dewatering of the mine is making good progress. In 1949, 9,874 tons of development ore was milled by Perron, with a grade of $7.61, giving a net return of $40,347.

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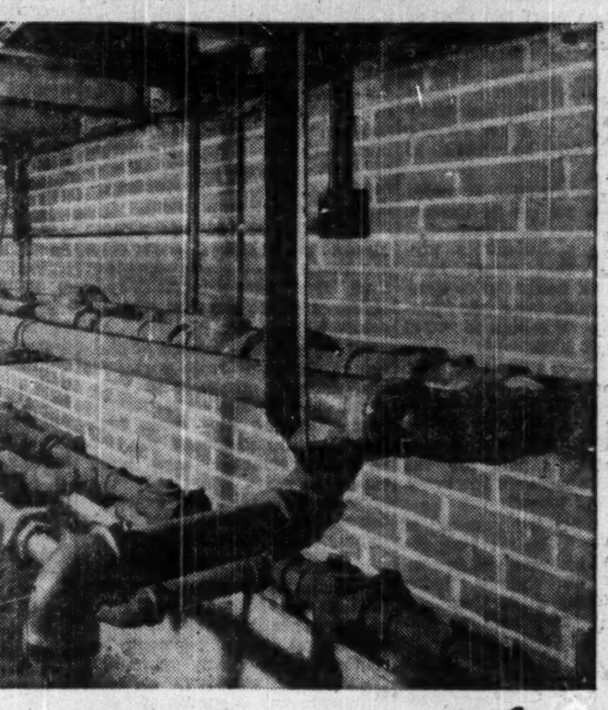

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Permafil resins are an unusual product of the polyester group that are 100% resin yet liquid in form. Because they contain no solvents and set up "void-free" they are particularly useful for electrical insulation. Permafil is also widely used for filling porous metallic (aluminum, magnesium, etc.) castings.

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G-E pioneered development of the silicones now widely used as mould release agents in the rubber industry. G-E silicones are also used in surface coatings, insulating resins, and low and high temperature oils. Silicone rubbers are used for special gaskets.

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50-RD-4

Chemists Control the Elements As Synthetics Replace Nature

Nature has her own chemical formulas. Man's research has broken down some; he's still seeking the secret of others.

Out of that constant search, the chemist and the scientist have produced substitutes for nature, better known as synthetics. Some are as good as nature's products; others are better, since, by control during the manufacturing process, they can be made to serve a specific purpose better than the natural product.

Take rubber, for instance. Canada had to depend on synthetic rubber in war time. Polymer Corporation, owned by the Federal Government, now turns out supplies still badly needed because political troubles are keeping natural rubber production and deliveries down in the Far East. If another war comes, Canada will lean even more heavily on synthetic rubber, now gaining steadily in many uses.

To date it hasn't been possible to make tire carcasses out of synthetic rubber because the synthetic works up too much heat in service to be suitable in that part of the tire. But Prof. Carl S. Marvel, pioneer of wartime synthetic rubber development and head of organic chemistry at the University of Illinois, recently revealed discovery of a new modified synthetic rubber which he says might slash deeply into remaining dependence on natural rubber. The new rubber when tested showed the lowest heat build-up of any synthetic rubber known, about equal to that of natural rubber, he said. If this development turns out as hoped it will be seriously considered for production at Sarnia.

Regardless of war, that's probably the biggest reason for the growth of synthetic materials — they are specifically designed to do a particular job and until they can be manufactured to do that job they are not considered finished products.

Another illustration is sugar and brand-new sucaryl sodium. Sugar has characteristics that make it dangerous for diabetics. One attempt by science, saccharine, doesn't quite meet the need for a substitute for diabetics — it breaks down under boiling, canning, cooking, etc., even leaves a slightly unpleasant taste after cooking.

But sucaryl sodium — which may be marketed in Canada shortly by a Montreal firm — stands up under heat, makes candy, cakes, other enjoyments possible for diabetics. Non-caloric, it will come in tablets each equal in sweetening power to one teaspoonful of sugar.

In the Clothing Field

A Canadian company is reported to be studying production possibilities of Orlon, a synthetic fibre that opens entirely new market fields and consumer uses for synthetics. Orlon's special advantages are resistance to sunlight, weather, acid fumes, etc. It is said to outlast cotton in fading tests for awning. Though more expensive, it might be a threat to duck and cotton awning, textile experts say. Orlon staple is also promising and dyeing methods have been developed for it. Orlon may be used for shirts, tarpaulins, curtains, girdles, window shades, suitings, a wide variety of goods.

Made from coal, water and air, it is a relative of nylon. Nylon staple, first produced in volume in Canada in 1949, is gaining ground rapidly.

Synthetic Detergents

"Tremendous amounts" are being spent on research on synthetic soaps or detergents, one executive told The Post and predicted introduction of new brands would continue.

At least one is on the verge of being introduced in Canadian stores just now. Made from fats or from petroleum these emulsifiers — which do exactly the same job as soap — have the special advantage of not combining with minerals in hard water to form curds the way soap does.

First introduced in branded packages for household use in Canada in 1947, they probably accounted for 15% to 20% of that market by 1948. Now it's estimated they account for about 35% by dollar sales. While they won't take over all the market by any means, they will likely expand a lot yet, especially in hard water areas.

Natural solvents have yielded heavily to synthetics. Dow Chemical will erect a new synthetic chlorinated solvents plant this year at Sarnia to make carbon tetrachloride, perchloroethylene, trichorethylene, etc., which will likely displace natural materials in a number of everyday uses as they expand into the market. Perchloroethylene is being used increasingly in dry cleaning at the expense of naptha type solvents.

Starch and casein are being gradually replaced as coatings for high grade papers by a water emulsion of styrene butadiene. Linseed oil is being eased out of many paint and varnish uses by Styrene Monomer, used to make styrenated linseed oil and styrenated alkyds.

In Forest Industries

A new Canadian Industries Ltd. plant opened this year uses wood pulp to make sponges. The pulp is treated to produce regenerated cellulose, then combined with a special reinforcing fibre to give the finished product. Cellophane, transparent packaging material, has been made from wood by the company for years. CIL also makes "Fabrikoid," substitute for leather.

Most ethyl alcohol used in Canada now is synthetically made, as a byproduct of wood pulp and paper. Methyl alcohol can be made synthetically, but Canada imports most of its supply. With expansion of the oil industry, manufacture of synthetic alcohols from natural gas or oil is a possibility. If Alberta can get under the U. S. tariff wall, a big western U. S. market exists for methanol or synthetic methyl alcohol. Development and shipment east of Alberta oil both promise new possibilities in detergents and other synthetics.

Synthetic fertilizers are important products made in Canada. Ammonium nitrate produced from natural gas is exported in quantity.

Acetic Acid's History

Acetic acid is made synthetically for most uses now. (It is still made by natural fermentation for vinegar.) Shawinigan Chemicals Ltd., only Canadian manufacturer of synthetic industrial acetic, makes it from acetylene at Shawinigan Falls.

Acetic acid's life history illustrates the complicated family trees of modern synthetics.

The process starts with calcium carbide to which water is added, acetylene resulting — just as in your bicycle lamp years ago.

Then acetic acid is made from the acetylene. From this come acetaldehyde, acetone, monochloracetic acid — used in 2-4-D, a synthetic insecticide.

Chloral is produced for making DDT, which has largely displaced naturally-made sulphur from several insecticide uses. Then Shawinigan gets lacquer solvents: ethyl acetate, butyl acetate, amyl acetate, butyl alcohol (which is perhaps used in your brake fluid), dibutyl phthalate, a plasticizer.

Synthetic rubber, made by Government-owned Polymer Corp. at Sarnia, has been increasing in production volume. It is estimated 50,000 long tons will be produced in 1950, as against 46,000 in 1949.

Polymer now makes five kinds of synthetic rubber: Polymer S & S latex, accounting for about 70% of production, Polysar Butyl, Polysar Krylene, Polysar N. & N. P. and Polysar S. S. Use of new synthetic rubber in Canada in 1949 was about 45% of new natural rubber used. Much is exported.

All these are but important samples of the wide variety of products that can be syntheticized by Canadian chemists.

Out of the Woods!

Everyone knows lumber and pulpwood as basic forest products. Then Chemistry steps in and creates other materials to give you more and better things for modern living . . . "Cellophane"—makes shopping easier . . . you can see what you buy and know it's protected at the same time: "Fabrikoid"—for luggage, for home and car upholstery, book covers and many other uses: lacquers—to brighten up drab surfaces . . . for automobiles and home decoration.

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COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies published reports are footnoted.

COCHENOUR WILLANS GOLD MINES operations thus far in 1950 have, due to higher grade ore and lower costs, shown definite improvement over 1949. Grade of ore recovered to date, reports President W. M Cochenour, is over .5 oz. per ton, well above the average produced from the mine to date and considerably above the grade in the last half of 1949.

In 1949, a net profit of $202,646 or 7c a share was shown; bullion production totaled $1,071,610 and operating profit was $262,566. For the first four months of 1950, estimated production was $435,000 with operating profit approaching $200,000.

During the year, 83,891 tons were milled (daily average 229.8 tons); recovery was $12.77 per ton and total costs $10.93 per ton.

Labor conditions were much improved, with men more plentiful and of a very improved type.

INCOME ACCOUNT

	Year ended Dec. 31 1949	7 mos. ended Dec. 31 1948
Bullion prod.	$1,071,610	$753,573
Add: Custom mill.	......	5,230
Less: Oper. exps.	809,044	449,205
Operating profit	262,566	309,598
Add: Misc. income	7,822	4,933
Est. Cost-Aid	73,000	32,500
Less: Deprec.	87,682	29,938
Devel. exp. w/o	15,661	9,136
Prov. for taxes	▲37,399	▲18,897
Net profit	202,646	289,060
Less: Divds.	236,932	236,932
Deficit for year	34,286	■52,128

■Surplus.
▲After deducting $10,138 in 1949, $50,116 in 1948, income tax credits due to losses in prior periods.

Earnings per Share	$0.07	$0.10
Paid	0.08	0.08

CONDENSED BALANCE SHEET

As at:	Dec. 31 1949	Dec. 31 1948
Cash & bullion	$82,582	$177,088
Dom. bonds	192,000	197,990
Accts., etc., rec.	186,663	83,096
Govt. aid rec.	57,711	36,346
Mat. & supplies	175,024	175,833
Lumber, etc.	35,600	48,338
Total curr. assets	729,580	718,691
Prep. & def. chgs.	82,122	96,117
Development exp.†	24,489	40,150
Other inv. & adv.	70,677	68,160
Hydro deposit	10,000	9,938
Claims & props.	232,333	232,333
Plant & equip.*	207,777	224,967
Total assets	1,356,978	1,390,356
Accts. & wages pay.	57,419	54,559
Taxes payable	17,009	18,961
Total curr. liab.	74,428	73,520
Capital stock	861,960	861,960
Surplus	420,590	454,876
*After depr. of	675,761	586,713
†After w/o of	79,923	64,261
Working capital	655,152	645,171

OPERATING STATISTICS

	1949	*1948
Tons milled	83,891	45,278
Average recovery	$12.77	$16.76

LITTLE LONG LAC GOLD MINES 1949 operations resulted in an operating loss of $160,965 ($158,357 in 1948) and a net loss, after all charges and adding cost-aid, of $23,836 ($20,014). Gross production at $898,743 was up $9,147 but gold produced per ton of ore milled fell from $9.28 to $8.76. Operating cost per ton also fell, from $10.86 to $10.26.

President W. Samuel states that exploration of the main vein below the bottom (26th) level is almost complete and, from 17 intersections of the vein, only two gave ore grade. Further study will be made before discontinuing depth development of this vein.

Ore reserves are estimated to be enough for about three years' milling.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Bullion recov.	$898,743	$889,595
Less: Oper. exps.	1,059,708	1,047,952
Oper. loss	160,965	158,357
Less: Other inc.	8,132	9,022
Est. Cost-Aid	141,178	133,822
Add: Deprec.	12,181	4,501
Net loss & deficit	23,836	20,014
Earnings per Share	d$0.013	d$0.011

None paid.

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash & bullion	$165,125	$89,402
Bonds, at cost	254,506	429,562
Accts., etc., rec.	375	2,510
Est. Cost-Aid	62,081	53,210
Mining co. shs.*	140,489	83,874
Mine stores, etc.	146,396	163,345
Total curr. assets	768,972	821,903
Outside mng. cls.	6,026	6,601
Misc. invests.	102,868	77,493
Prep. chgs. & adv.	39,882	78,656
Mining props.	334,101	334,101
Plant & equip.▲	42,007	43,784
Total assets	1,293,936	1,362,538
Total curr. liab.	57,985	109,983
Capital stock	1,198,410	1,198,410
Surplus	37,541	54,145
▲After depr. of	1,325,206	1,322,204
*Market value	270,302	96,067
Working capital	710,987	711,920

OPERATING STATISTICS

	1949	1948
Tons milled	102,570	95,830
Average recov.	$8.76	$9.28
Ore reserves, tons	324,266	382,651
Grade ($35 gold)	$12.15	$12.23

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What's Ahead for Plastics Industry?

Postwar Growth Provides Strong Base for Expansion

Where is Canada's plastics industry going?

Even the most optimistic of its supporters won't hazard a guess. They'll only point to its growth record and say—"The sky's the limit."

The industry has jumped from virtual nonexistence in Canada before World War II to an annual sale volume of about $45 millions. In the same period, investment in plants jumped $25 millions.

On that base, the rate of growth may speed up, top plastics officials claim. They base their optimism on these factors:

—Canada has an abundance of raw materials (see accompanying table).

—Production of basic materials is increasing; Canada is now an exporter in some lines.

—Important new plant expansion programs are under way or slated for 1950 starts in both the raw material and molding divisions.

—Chemists are extending the already wide fields in which plastics can be manufactured for specific uses; they're aided by the constant development of new basic materials with distinctive properties or groups of properties.

—Mass production and new techniques are lowering prices.

—Manufacturers are making every effort to keep inferior products off the market.

Postwar Enthusiasm

That last point is important, in the view of industry officials.

It stems back to the war period. Then, the public rode on a wave of enthusiasm, over the cautious protests of the chemists and the men who knew plastics. In short, the public got the idea that plastics would do just about anything—that they would largely replace wood and metal.

When many of those magic qualities were disproved by early postwar plastic products (some of those qualities are now appearing in new developments) public reaction was strong. They looked at such things as plastic tea-strainers that softened and distorted under hot water; plates that warped; cabinets that cracked, etc.—and then they looked with suspicion on most things plastic.

That put the problem strictly up to the manufacturer: he had to produce high quality products that would sell themselves by their compelling advantages over other materials for specialized uses; he had to educate the public on just what to look for in plastics.

What are Plastics?

What should the public look for in plastics?

First, it's essential to know something about plastics — how they're produced, what they're made of, how their properties vary.

Plastics are divided into two broad classes:

Thermosetting (heat setting), where the product is subjected to heat and pressure and sets to the solid state. Further heat or pressure won't reduce it to its former state.

Thermoplastics, which form under heat, harden on cooling and can be remelted and reformed at will.

In general, the thermoplastics are clear, strong materials, that can be readily molded into intricate shapes. Thermosetting materials have strong heat and wearing resistance, are harder and more stable and apply to a wide range of industrial uses.

Here's how the changing market and development of new uses has affected these two classes: In 1940, U. S. and Canadian consumption of thermosetting types was approximately five times greater than that of thermoplastics. Last year, thermoplastic consumption was double that of thermosetting types.

Where They Come From

Those are the qualities of the primary manufacturing materials. Where do they come from?

Perhaps no other single development has had more impact on the raw materials picture than the growth of the huge petrochemical industry at Sarnia.

In Sarnia's "Chemical Valley," the integrated operations of Imperial Oil, Polymer Corp. and Dow Chemical have transformed Canada from a 100% importer of polystyrene—one of the most widely used plastic raw materials—to a position where she not only supplies the entire domestic demand but exports around two-thirds of total output.

The easy availability of this low-priced plastic material has added great flexibility to the Canadian industry. Because of its low price and unique qualities, polystyrene is perhaps the fastest-growing plastic on the market today. Two companies, Dow Chemical at Sarnia and Monsanto of Canada at Montreal, account for the entire polystyrene production in this country.

That's not the only section of the field in which Canada can look ahead with optimism. We're rapidly becoming self-sufficient in other resins and plastics materials: in vinyl-type resins made by Canadian Resins & Chemicals and Shawinigan Chemicals at Shawinigan Falls, Que.; in the heavy-volume phenolics now being turned out by several companies headed by the two major producers, Bakelite Co. of Canada at its new Belleville plant and Varcum Chemicals, Lindsay, Ont.; and in the urea and melamine formaldehyde type resins, and in casein materials now turned out by no less than 10 different companies.

There are other developments too. Monsanto (Canada) Ltd. will soon commence first Canadian production of butylated melamine and urea resins at its expanded Montreal plant. Canadian Industries Ltd. recently made first shipments from its Shawinigan plant of a comparative newcomer to the plastic field—polythene. So far, the raw material is imported from the United States, but early manufacture in Canada is felt to be a logical step.

The Molders and Fabricators

From these factories, the plastic compounds and synthetic resins go to the secondary producers, who turn them into semi-finished or finished goods. These are the molders and fabricators, and the industry spreads out into a large number of companies such as Canadian General Electric, Stokes Rubber, Duplate of Canada, Rainbow Plastics, Mack Moulding, etc., all companies which with the rest of the industry have extended their plants and kept pace with equipment progress in the United States.

In the injection field, Percy Hermant, Winthrop & Sons, Robinson Industrial Plastics are big producers. In the flexible sheeting field—vinyl—B. F. Goodrich, Haughs Products, Miner Rubber and Barringham Rubber are among the "pioneer" Canadian companies.

That gives some idea of the ramifications of the industry. Here's another guide: The annual sales volume estimated earlier at $45 millions for 1949 breaks down like this:

Molded and extruded plastics (thermosetting and thermoplastics), about $12 millions;

Synthetic resins and compounds, $10 millions;

Laminated materials and the versatile elastomers (vinyl types), $13 millions.

Miscellaneous classes, $10 millions.

Properties of New Plastics

There are now some 15 major types of plastics in use, and new ones are coming along all the time.

A material like melamine will take a full range of translucent or opaque colors; because it's also hard and heat-resistant, it makes excellent tableware, table tops, etc.

Laminated plastics combine wood and plastic resins; they form tough, acid-resisting surfacing material for tables, counters and store fronts.

Vinyls are flexible, strong and tear-resistant; those qualities make them adaptable to shower curtains, raincoats, etc.

Polythenes are moisture-proof; they're also unchanged by exceptionally low temperatures. Those qualities make them particularly adaptable to packaging, refrigerator ware.

To help steer the hard-pressed fabricators and molders through the many shoals of misapplication, two of the largest plastic producers in the United States—both with Canadian subsidiaries—have set up product evaluation services. Fabricators can send their new products to these technical laboratories for testing in consumer use.

To guide the public, the Canadian branch of the Society of the Plastics Industry is campaigning for informative labeling among its members, and reports considerable progress. Another big step would be to do away with the use of dozens of trade names for the same plastic, and the application of standard names with which the public would become familiar.

The Trend in Prices

Given public acceptance of the product, ample supply of basic materials, and constant development of new uses, what are the other factors behind the optimism in plastics?

One of them has been the staple or downward trend in prices, against the trend of such competitors as metals, wood, etc.

Aluminum has been one of the few items that has paralleled the price pattern of plastics.

One popular plastic has fallen from 84c lb. in 1945 to 34c in 1949. Industry officials see a long downtrend in prices. It's an industry that calls for high investment in automatic equipment, with comparatively low labor operating costs. For that reason the industry has not been affected too much by labor's increased wage demands.

With the growth of the Canadian industry, there has developed one major problem. The Tariff Board at Ottawa has been meeting in recent months to reclassify plastic items. There has been no complete examination of tariffs affecting the industry for more than 10 years. Then, products were relatively limited in both range and volume. In the present period of production and competition, many foreign markets are being closed to Canadian manufactured goods. At the same time, the Canadian industry contends, the Canadian market remains virtually an open field for the plastics products of all countries. With "an appropriate tariff structure," claim spokesmen for the industry, Canadian plastics could become a major export.

Plastics—Their Sources and Uses

From coal, iron and steel industries; phenol, cresol, formaldehyde, vinyl acetate and chloride;

From petroleum industry: styrene, ethylene, methol alcohol, acetone, butrahyde;

From forest products, pulp and paper industries: cellulose, wood flour, lignin resin, alcohol;

From mining and chemical industries: asbestos fibre, granulated mica, chlorine, caustic soda, acetylene, carbon dioxide, ammonia, nitric acid, silica powder;

From agricultural industries: grain chaff for furfural, flax and soya beans for oil and protein, milk for casein, straw for cellulose, corn for glutin, animal fat for glycerin;

From the fishing industry: glue, sizes, herring scales;

From textile industry: cotton wool and rayon flock, canvas, cambric.

PLASTICS AND RESINS PRODUCED IN CANADA

THERMOSETTING: Properties	Applications	Raw Material Makers
PHENOLICS (workhorse of the group) Strong, hard, fast molding, unaffected by common solvents. Limited to opaque colors.	Telephones; Washing machine agitators; Radio cabinets.	Bakelite (Canada); Can. General Elec.; Monsanto (Canada); Granville Ils.; Kayson Rubber & Plastics; American-Marietta
UREA-FORMALDEHYDE Hard, scratch-resistant, chemically inert, low impact strength.	Radio cabinets, electric fixtures, light reflectors, decorative panels	Bakelite (Canada); Cdn. Aniline & Extract; Monsanto (Canada); North American Cyanamid
THERMOPLASTIC		
Polystyrene: One of fastest growing plastics today, low-price, clear, good insulating qualities, stable to very low temperatures, burns readily.	Building blocks, freezer covers, light diffuser, wall-tile, etc.	Dow Chemical (Canada); Monsanto (Canada)
Polyvinyls: Flexible type, strong, tear-resistant, nonflammable, rigid-type, strong, water-resistant, takes good colors.	Shower-curtains, raincoats, non-breakable records, wire insulation, saran auto-seat covers.	Canada Resins & Chemicals, Shawinigan Chemicals Ltd.
Nylon: Superior toughness, good heat resistance.	Car dome-lights, combs, toothbrushes, gears and parts for small machines, fishing reels.	Duplate (Canada); Percy Hermant Ltd.; Prophylactic Brush Ltd.
NOT MADE IN CANADA AS YET		
THERMOSETTING:		
Melamines: Hardest and most scratch-resistant, good heat resistance, takes full range of colors.	Break-resistant tableware, aircraft distributor head and carburetor housings.	Monsanto (Canada) to produce at Montreal.
Polyesters: In certain applications provides highest strength-weight ratios of any known material, molds or sets at low temperatures.	Lamp shades, store mannequin, structural Fiberglas laminates.	
THERMOPLASTICS:		
Acrylics: High weather resistance, highest optical clarity.	Decorative packaging, brushes, combs, bomber noses, were big wartime use.	
Polyethylenes: Tough, semi-rigid, moisture-proof, stable up to 200.0 F., chemically inert.	Kitchen refrigerator-ware, bags for packaging in sheet form for packaging.	C.I.L. Makes in sheet form from imported raw material.
Nitrates: Toughest thermoplastic, full color range, highly inflammable.	Fountain pens, piano keys.	
Acetates: Tough, unlimited color, good insulating qualities, high water absorption in some types.	Film for display packaging, vacuum-cleaner base, coated mesh for partitions.	
Butyrates: Tough, high impact strength, good weather resistance.	Tubing for farm irrigation and oil wells, air-conditioner grill.	
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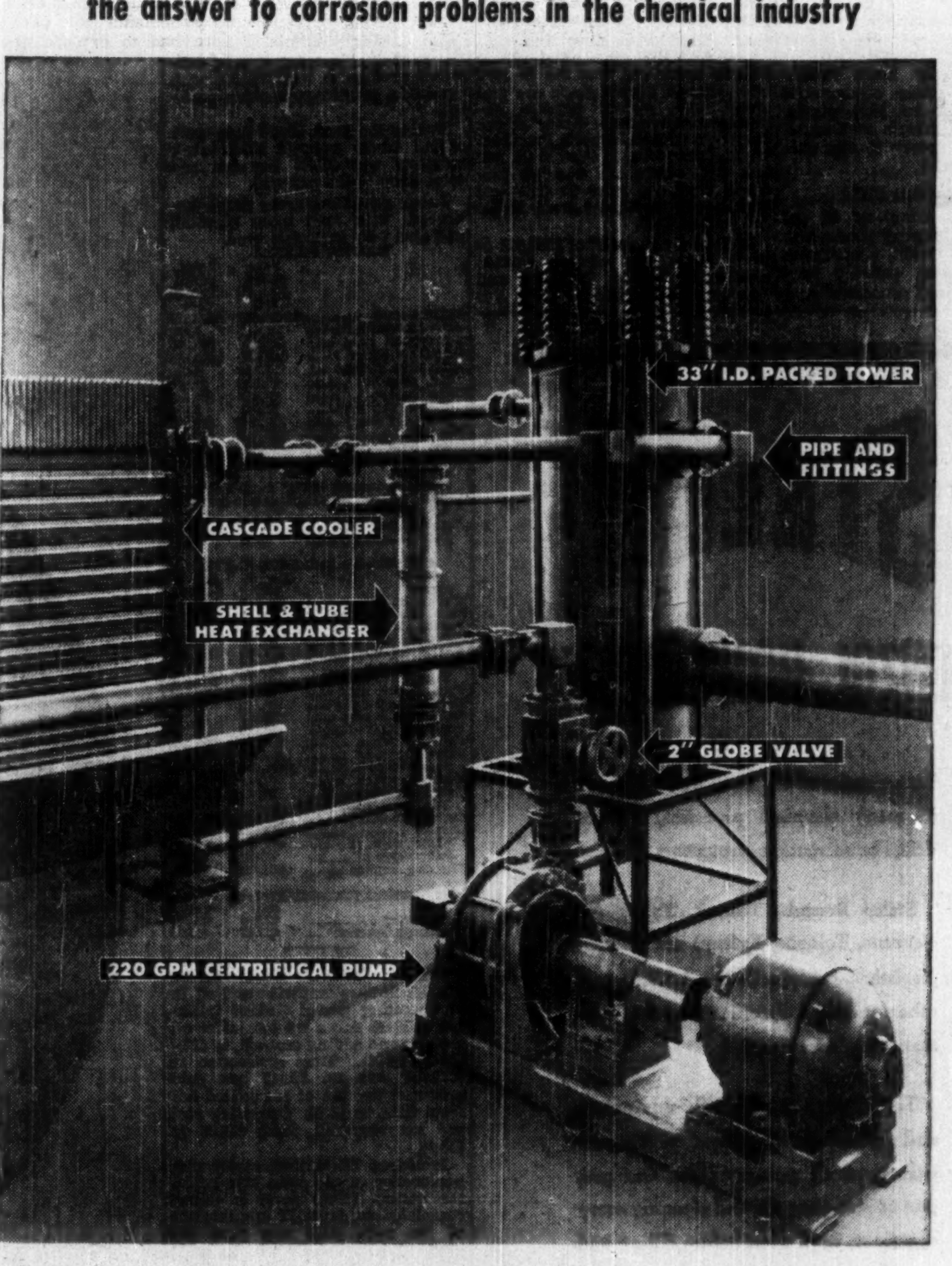

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From Paints to Medicine, Test Tube Research Plays Big Role

Here Are Canadian Highlights Chemical Research in Drugs

How good is your arithmetic? At least 100 lb. of pituitary glands a month are being collected in Canada from the heads of slaughtered hogs to make ACTH.

It takes at least 1,700 hogs to yield 1 lb. of glands.

From 1 lb. of glands you can extract 500 mg. of ACTH.

This is sufficient to treat one or two arthritic cases one week.

Question: How many hogs would have to part with their pituitary glands in the cause of medicine to treat 1,000 cases a month?

Answer: So many that ACTH will never become anything more than a clinical or research tool, unless—and here is the big hope—chemists find a way to produce the hormone syntnetically.

Research men in Canada and the U. S. are working feverishly at the problem. Before definite results are obtained probably thousands of research projects will be carried through. It took more than two years to partly synthesize a minute amount of a sister hormone—cortisone. Even now after six years of work on the project only a few thousand grams a month are produced.

First Canadian Sample

ACTH may prove even more difficult a problem. But the potential rewards in health and human welfare are so great that no possible approach to the problem of providing adequate amounts of the wonder hormones will be overlooked. Of course in the meantime there is always the possibility that something else will be found which can be made more easily and which will be just as good as cortisone or ACTH.

After intensive research The Connaught Medical Research Laboratories is delivering this week the first Canadian sample of ACTH to the National Research Council for distribution to clinical and research bodies in this country. Cortisone was also produced in Canada for the first time last month by Merck & Co., Montreal pharmaceutical firm.

It is known that the Canadian pharmaceutical house of Charles E. Frosst & Co. is actively engaged in research to find more economical methods of production of cortisone. Results obtained so far give some hope that this may be achieved in the near future, a company official tells The Financial Post. So far the only known practical method of making this hormone begins with cattle bile (it's estimated that it takes the bile from 40 cattle to make one average dose) but research is exploring possibilities of wool fat, Mexican yams, etc.

But medical research bodies and particularly the pharmaceutical companies have been facing just such seemingly insurmountable problems for years. World War II provided a great challenge. The industry was called upon to furnish drugs for the armed forces in unprecedented quantities and variety and in keeping with the advances of modern therapy. At the same time, new fields were entered including the vitamin and hormones. Today physicians may obtain practically every pharmaceutical they require in their daily practice with a "Made in Canada" label.

Production Cuts Prices

In every case, successful means of large-scale production have been worked out and early near-prohibitive prices have fallen sharply. Initial price for penicillin, for instance, was $20 for 10,000 units. Today the price to wholesalers is in the neighborhood of 5 cents. Streptomycin, whose original price was $15 a gram, has been reduced to less than 50c. a gram; other medicinals have followed the same price pattern.

In every case the increased supply and reduced price has come as a result of either successful synthesis—broadly speaking the construction of a chemical building from simpler building blocks — and/or development of new manufacturing techniques.

The story of penicillin is characteristic.

At first the mold was grown on the surface of a special liquid contained in quart milk bottles. During the period of heavy wartime demand the Connaught Laboratories would have as many as 250,000 bottles on its shelves at one time. This entailed handling of 30,000 bottles every 24 hours. The labor involved was tremendous — empty bottles were washed, filled with new liquid, sterilized and the cycle of planting and incubating the mold, collecting and purification of the liquid to make penicillin was continuous. But the early multi-bottle days are past.

J. R. DONALD

President of J. T. Donald & Co., Montreal, and associated firms

During war Director-General of the Chemicals & Explosives Production Branch of the Dept. of Munitions & Supply. Is now head of largest Canadian firm consulting engineers. Associated with original engineering studies of many chemical plant developments.

Now, in the "deep culture" method incubation is done in huge tanks somewhat similar to fermentation tanks used in breweries. The liquid is kept agitated and aerated. When growth is completed the liquid is filtered and the penicillin extracted for purification, using solvents. Last year the three producing laboratories in Canada reached a record $5 millions of penicillin, almost $500,000 of which was exported.

The deep fermentation process was also adapted to production of streptomycin started in 1945 and now being produced at the Montreal plant of Merck & Co.

Tear Down and Rebuild

The problem of synthesis is where the chief hurdle is met. In the synthetic process, once the structure and materials of the molecule to be reproduced have been analyzed — and this is a tremendous project in itself — the chemist then sets out on the actual synthesis, or building up process, using simple, more readily obtainable materials. The successful synthetic molecule is identical with the original molecule, not only in structure but also in biological and/or nutritional value.

Successful synthesis has been done on most of the vitamins and this has helped expand production in Canada where consumption has doubled in the last 6-8 years to 1949's record $8.5 million outlay.

Vitamins today represent one of the top dollar sellers in drugstores. Most spectacular of the group is the B-12 vitamin. It opens up a new approach to growth. It seems to have the faculty of killing off growth inhibitors in the digestive tracts. Experiments with chickens have produced rather amazing results.

Among the more recent developments is a new drug for the treatment of thrombophletitis and thromboembolism which has just been introduced into Canada. It is the result of collaborative investigations of Charles E. Frosst & Co., the University of Saskatchewan and a Canadian haematologist presently on the staff of a large New York hospital.

Possible applications of radioactive compounds in industry, in biology and in medicine have opened up wide horizons and extensive research projects now under way in these fields will likely prove productive. Results achieved with the use of certain radioactive compounds in medicine are already impressive. Recently the National Research Council concluded a contract with Charles E. Frosst & Co. to process and distribute radioactive compounds for medicinal use to approved laboratories.

It's Big Business

It may not be long before the pharmaceutical business becomes the top dollar earner among all the chemical and allied industries in this country. Already it occupies second position with a sales volume in 1949 of $79.7 millions, up 193% from 1939. But manufacturing of fine chemicals in Canada has to be gauged rather carefully.

Most of the Canadian pharmaceutical chemical companies have grown out of affiliations with U. S. organizations. Many of these had originated either as expansions of successful drug store operations, or as groups of druggists providing co-operative manufacturing, purchasing and selling organizations for a chain of drug houses. Ayerst, McKenna & Harrison Ltd. is in a distinct class with Shawinigan Chemicals, Consolidated Mining & Smelting Co., and a few other Canadian firms in the chemical business.

Among the larger firms, the only one of 100% Canadian ownership today is that of Charles E. Frosst & Co.

There are two major producers of fine chemicals in Canada — Merck & Co., and Mallinckrodt Chemical Works Ltd. Both are subsidiaries of U. S. companies and both commenced actual manufacturing operations in Canada in 1930. Since then, these companies have experienced continuous growth.

Chemists Make Special Paints For All Kinds of Tough Jobs

Tough, water-repellent paint for the cement sides of your swimming pool, rubber-base paints for those steel pipes, hard scrubbable enamel for your kitchen table — paint for any job — that's the boast of the paint manufacturer today.

One very good reason why the paint industry is able to live up to that boast is the paint chemist. In his control laboratory, he keeps the industry on a scientific basis because he knows what he wants and checks what he gets. In the research laboratory, he ventures into new fields of raw materials, processing and special products.

In water-thinned paints, the chemist is making the kind of paint history the average man understands. Here is the paint that anyone can use, because it's moderately priced, doesn't show brushmarks, requires only one coat, has little of the traditional paint odor. At first only a flat finish was available, and it wasn't very washable; today a gloss paint is marketed as well and both will stand up under repeated scrubbings.

From the chemist's angle, this success represents the careful balance of over 20 ingredients to make oils and synthetic resins "mix" with water.

In the new color selection systems he has simplified the paint business.

But color selection systems would be impossible without the rigid raw material specifications laid down by the chemist and the careful control of actual paint making. This is a triumph of measurement.

These are only two of the many important developments in the field of paint and protective coatings, which last year chalked up a record dollar volume of $82.6 millions Approximately $27.7 millions of this represented sales to the industrial market and covered everything from bobby pins to automobiles, from food tin interiors to washing machines.

The growing diversity of coating applications has made increasing demands on the paint manufacturer for specialized products. To meet these exacting demands the paint chemist has had to explore new sources for his raw materials — his oils, resins, pigments, solvents, etc.

In the field of pigments comes perhaps the biggest single development in the whole industry — the use of titanium dioxide. It is called the whitest white in the paint industry and remains white in long service.

But one significance for Canadians is the discovery of the world's largest known titanium ore-body in Quebec. The ore analyzes 35% titanium dioxide and 40% iron. An electric smelter estimated at $15 millions is being erected at Sorel to extract the iron, the byproduct will be a slag rich in titanium. This holds promise of freeing Canada from dependence on foreign supply sources in the future.

Development also continues in other pigments. For example a superior range of maroons has been developed from special iron oxides.

A troublesome blue pigment (phthalocyanine blue) that would crystallize out whenever it shouldn't, gives no trouble today since the chemist attacked it with chlorine and benzene.

Although linseed oil is still the backbone of the drying oils because of its ready availability and moderate price, the paint chemist in his search for replacements and substitutes has added a long list of new raw materials to this field. He worked on castor oil which is normally a nondrying oil, by changing its structure transformed it into a drying oil whose water and chemical resistance is second only totung oil. Originally a wartime substitute it is used today mostly in lacquer and varnish formulations where fast drying is essential.

Soybean oil gives promise, since it does not yellow with age.

Other oils such as rapeseed oil are being intensively processed — heat-treated, acid refined, and blown — to offer special properties for special finishes.

The synthetic resins offer many excellent properties to the paint chemist. For him, the alkyds are the most important group. It is the alkyds which are responsible for the baking enamel now standard on all makes of cars, and for the finishes used on washing machines, stoves, etc. The baking time of 5-15 minutes at 300-320 deg. F. permits large-scale assembly line production.

A resin of synthetic rubber base has made possible one of the most promising developments in water-thinned paints in the last two years.

Silicones resins in protective coatings are still in the very early stages of development — its outstanding quality, heat resistance.

But the list of new developments in the protective coatings field are numerous: paints containing DDT, luminescent coatings of an advanced nature, and scratch-resistant floor finishes designed especially for bowling alleys and roller-skating rinks, all indicate the industry is very much on its toes. In the meantime the paint chemist continues to make new discoveries in pigments and resins and to improve and modify his earlier ones.

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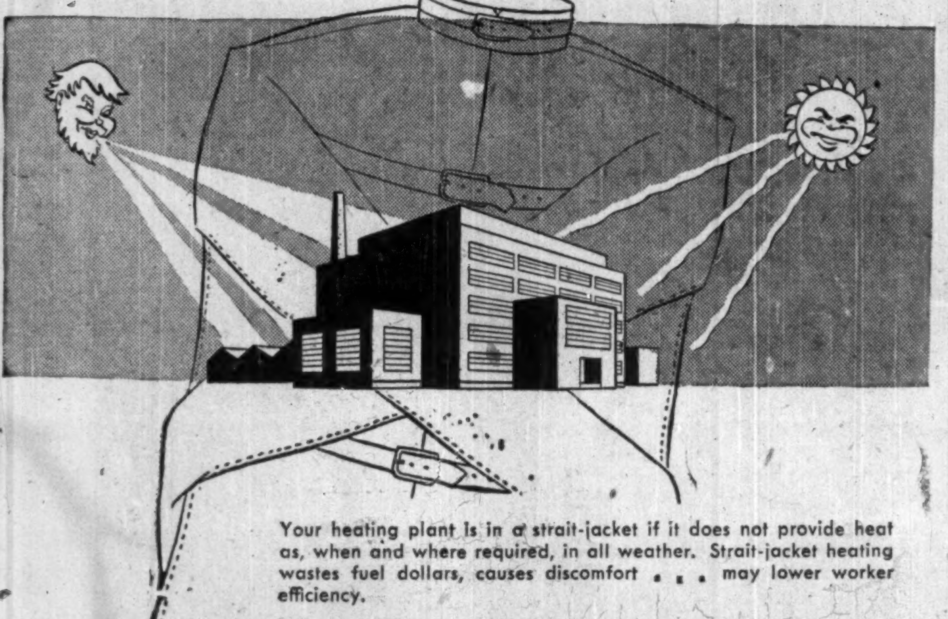

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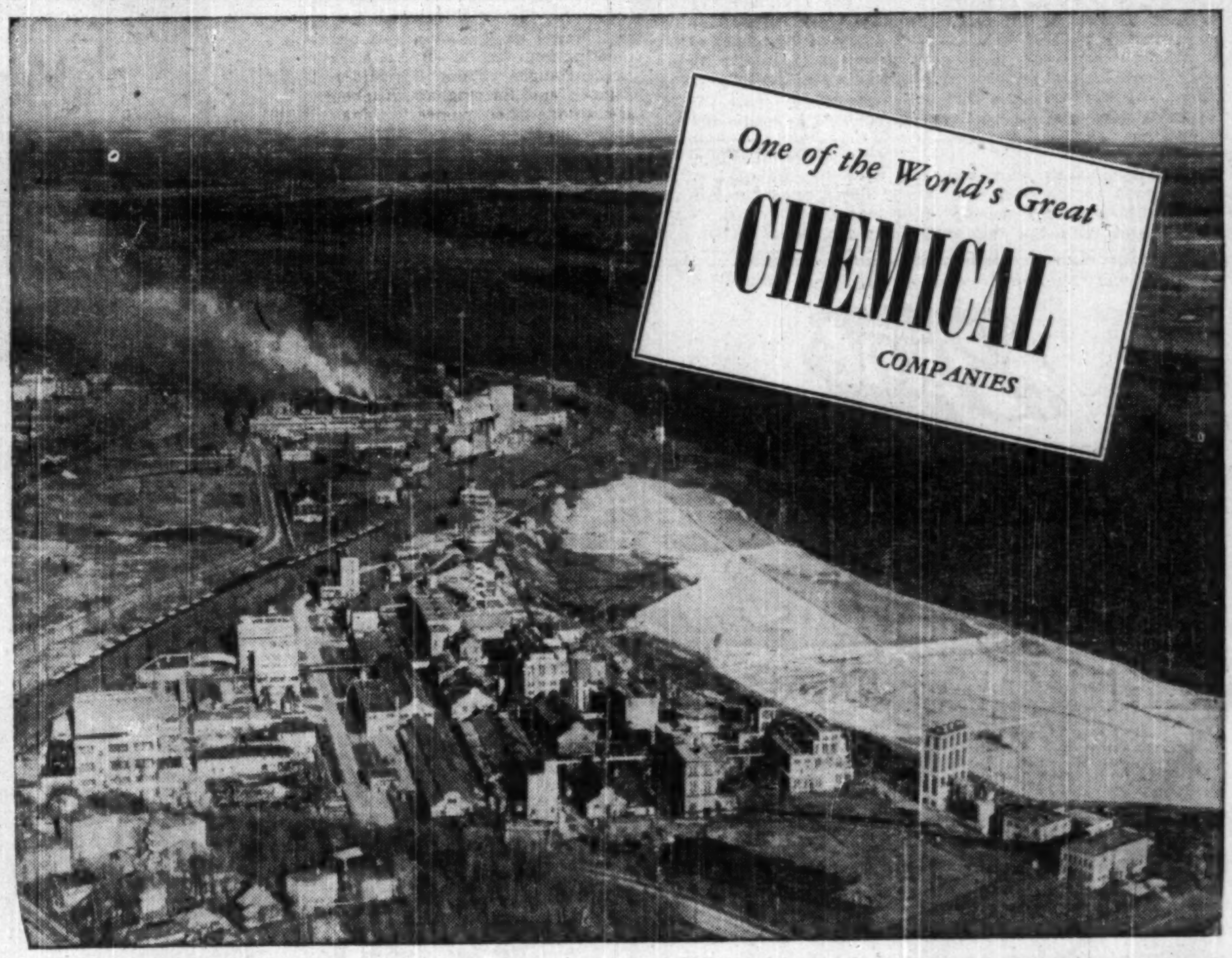

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Chemistry's Role in Canadian Mining

New Byproducts, Methods of Treating Ore, Strengthen Industry

By GORDON M. GRANT

From such far-flung fields as detection of ore bodies through analysis of foliage of trees and plants, to development of new uses for metal through the instrumentality of alloys, the chemist plays a unique and vital role in Canadian mining.

It it were not for chemistry, many of Canada's greatest mines would not be in production today. If it were not for chemistry and the new abilities it creates for treating more and more marginal or complex grades of ore, the mining industry might have some very real qualms as to the future.

As it is, our larger metallurgical undertakings are not only treating problem ores of yesteryear but are turning out a growing list of chemical byproducts; are becoming a greater market for chemical products.

Historically, great steps forward in this country's economic life have often been marked by the placing of great mines—and mining fields—in production as a direct result of the work of the metallurgist (chemist) specializing in the field of ore dressing. Many of the achievements in this field are well-known.

It will be recalled how the "old nick" which was the headache of the metallurgist trying to secure proper recovery of copper from Sudbury ores became one of the nation's richest blessings—nickel—through discovery of the Orford nickel-copper separation process.

In British Columbia, chemistry and physical science combined to provide differential flotation to separate the mineral riches of the complex ores of the world's largest lead-zinc mine, the Sullivan of Consolidated Smelters.

The great Flin Flon (Hudson Bay) ore body was but little more than a curiosity until metallurgists devised a process which provided commercial recovery of the mine's copper, zinc and gold. The chemists triumphed again when Eldorado worked out recovery of radium and uranium from ores of its Great Bear mine.

No Two Ores Alike

Instances of this kino could be multiplied almost ad infinitum. It has often been said that no two ores are alike and each is its own metallurgical (chemical) problem. Working out of a flow sheet for a new type of ore has become an almost everyday occurrence.

Organizations with extensive facilities, such as the Bureau of Mines at Ottawa, have worked hand in hand with the mining industry to solve many intricate problems. Chemistry, of necessity, has been dovetailed with related sciences to provide the answers.

While chemistry has done wonders for the mining industry through provision of better and cheaper explosives for operations underground, it has been in the actual recovery of metals from broken rock in processing plants above ground that chemistry has played its greatest part.

Traditionally, precious metal and base metal ores require radically different types of treatment. Gold ores — with no arsenic present— usually give up about 95% of contained gold values through application of the cyanide process which has largely replaced amalgamation (mercury process). Even when arsenic is present, roasting of a concentrate usually permits recovery of bulk of contained gold although costs are higher. Smaller, less expensive, roasting plants have been devised in recent times and the fluo-solid type of plant invented by Dorr has been used to advantage.

The Base Metals

Treatment of base metals ores and recovery of common nonferrous metals in refined form usually requires quite a sequence of processes. After the mineralized rock is ground, it is usually passed through a plant known as a concentrator. There the pulverized ore is treated with frothing oils to which minerals adhere and can then be floated off from the barren particles of rock.

These "concentrates" containing metals are than sent to the smelter where the heat of great furnaces drives off bulk of remaining impurities as gases and slag. The "matte" remaining is sent to a refinery where by a method of electrolysis, practically pure metals are recovered. That is how the bulk of metals such as copper, nickel, lead and zinc are recovered today.

But through research work, even this rather long and accepted procedure for recovery of these metals is undergoing changes. In the case of nickel-copper ores, an entirely new process has been evolved which represents a very radical departure. Costs of treatment of nickel ores has been higher than for other ores and the new process—although not in use on a commercial scale as yet—is expected to provide definite economies.

Sherritt Gordon Mines, working with the U. of B. C. and using facilities of the Bureau of Mines at Ottawa, has evolved a process for treatment of nickel-copper-cobalt concentrate for recovery of nickel, copper and cobalt without the requirement of either smelting or conventional refining.

Concentrates — from the concentrator—are subjected to initial treatment by a leaching process. Metals can be separately precipitated from leached solutions. And highly refined products can be recovered.

There is no need of electrolytic refining to secure refined metals.

Not only is the process said to mean a saving in terms of smelter and refining facilities but would appear to provide substantially cheaper operating costs than current smelting and refining methods.

The process has been proved in the laboratory, but another year of pilot plant work is being done as a guarantee to success in actual production operations.

The Sherritt Gordon process has been designed for treatment of Lynn Lake nickel-copper ores which are somewhat easier to concentrate than most such ores, but the process may possibly be used to advantage in treatment of other nickel or cobalt ores or concentrates. Falconbridge Nickel Mines has made arrangements to run tests in Sherritt's pilot plant at the Bureau of Mines to determine the economics of its use in treatment of Sudbury nickel-copper matte. It is believed that the Sherritt process may ultimately mean a substantial increase in consumption of chemicals such as ammonia, oxygen and sulphuric acid. Ammonium sulphate could be a byproduct.

Inco's Processes

International Nickel Co. has also been making great strides forward both from the standpoint of applied metallurgy with respect to Sudbury area ores and in development of a wide range of nickel uses.

Inco last July was able to announce that the Orford process for separation of nickel and copper is no longer being used; that undoubtedly reveals a landmark in metallurgical processing as carried out by that company.

Nickel oxide sinter is a product being turned out in a new plant at International Nickel and has found particular favor with customers.

Flash smelting of copper is a new development which will become operative at Inco next year. It is expected to result in a saving in coal.

Investigation has been carried out by Inco into possibilities for production of either elemental sulphur or a liquid SO_2, but no decision has yet been reached as to which product should be turned out. Investigations are also being made into methods which will permit the turning out of iron as a byproduct.

Besides its immediate achievements in the field of turning out nickel more and more efficiently, Inco has developed a wide range of uses for nickel, delving deeply into the chemistry of steel making, has been responsible for many noteworthy achievements including a widely used process for turning out ductile cast iron by introduction of magnesium into molten iron as it leaves the blast furnace. A catalyst metal, Raney nickel, is used by the petroleum industry and a wide variety of other industries. A group is supported by Inco at the Mellon Institute in the United States which works almost entirely on development of catalysts.

Every large base metal operation in the country has a laboratory constantly at work, seeking to turn out new byproducts. Dogged by claims for smoke damage, Consolidated Smelters put its research workers on the problem of utilization of chimney gases, has played a unique role in the development of one of the world's greatest fertilizer operations. Smelters visualizes a few years hence turning out iron in a large way.

Noranda's Plans

Noranda Mines announced at its April annual meeting that plans are now being considered for a commercial-sized unit to produce elemental sulphur and sintered iron-oxide from pyrite, but that the decision as to location and size of such an initial unit had not been made. Sintering of iron-bearing material such as finely ground iron-ore or blast furnace flue dust in order to agglomerate it so that it will be suitable for steel making is a well-established process, but to obtain reasonable costs it must be done with machines of large capacity.

One metal mining company in the United States has been making large tonnages of iron-oxide sinter from pyritic ores like those of Noranda for many years so there is nothing new about this part of the process. That company first makes sulphuric acid from sulphur in its copper-zinc ore by roasting it and then sinters the iron-oxide residue remaining after roasting. It can do this because it has a nearby market for both its iron-oxide sinter and sulphuric acid and also secures low freight rates on both.

Noranda has a higher-per-ton-mile freight rate and greater distances from steel plants and markets for sulphuric acid.

In the realm of nonferrous metals, a Canadian, Dr. Lloyd Pidgeon, has been directly responsible for development of a process which has led to production of a number of metals — magnesium, calcium, titanium, zirconium, barium and strontium.

The ferro-silicon process developed by Dr. Pidgeon permitted a Canadian company, Dominion Magnesium, to produce 99.96% pure magnesium using silicon as a reducing agent. The same company is now producing calcium using aluminum instead of silicon as a reducing agent. Titanium in turn is being produced by using calcium as a reducing agent. Strontium and barium metals can be produced by using aluminum as a reducing agent while zirconium is being produced along lines more like titanium, using calcium as the reducing agent.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements. The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

DAVIES PETROLEUMS LTD. shows a net profit of $2,463 for the year ended Jan. 31, 1950, against $1,957 in the previous year.

An arrangement was recently made, reports President Leonard Phillips, for sale of waste gas from the company's No. 1 Turner Valley well ensuring "that the rate of income will keep pace with that of recent years."

Acreage held in North Turner Valley, Keystone Valley and at Smith, Alta. is kept in good standing; arrangements are being completed for further development work in the Keystone Valley.

The company's major stockholdings consist of: 300,000 shares Decalta Oils, 200,000 shares Vulcan Oils and 150,000 shares Northern Extension Ltd.

INCOME ACCOUNT

Years Ended Jan. 31:	1950	1949
Prod'n revenue	$78,510	$92,517
Less: Royalties	29,206	37,610
Add: Other rev.	2,932	2,435
Total net rev.	52,236	57,342
Less: Oper. exps.	35,862	32,330
Depreciation	......	6,053
Development	13,911	17,002
Net profit	2,463	1,957
Less: Divds.	18,499	18,499
Deficit for year	16,036	16,542
Earnings per Share and Dividend Record:		
Common	$0.001	$0.001
Paid	0.01	0.01

CONDENSED BALANCE SHEET

As at Jan. 31:	1950	1949
Cash & govt. bds.	$8,198	$10,536
Cash with trust co.	4,559	10,685
Accts., etc., rec.	3,929	3,476
Mater. & supplies	2,032	6,982
Total curr. assets	18,718	31,679
Misc. assets	49	49
Purchase option	......	1,000
Syndicate interest	3,333	6,661
Invest. in oil cos.	105,547	97,823
Develop. acct.▲	74,598	88,473
Land & leases	23,069	17,830
Plant & equip.■	31,198	15,231
Total assets	238,513	238,746
Accts. pay.	2,927	285
Royalties pay.	803	757
Total curr. liab.	3,730	1,042
Capital stock	433,068	433,068
Deficits: Capital	16,029	29,145
Income	162,256	146,219
■After depr. of	67,822	67,823
▲Incl. depl. of	330,048	316,137
Working capital	14,988	30,637

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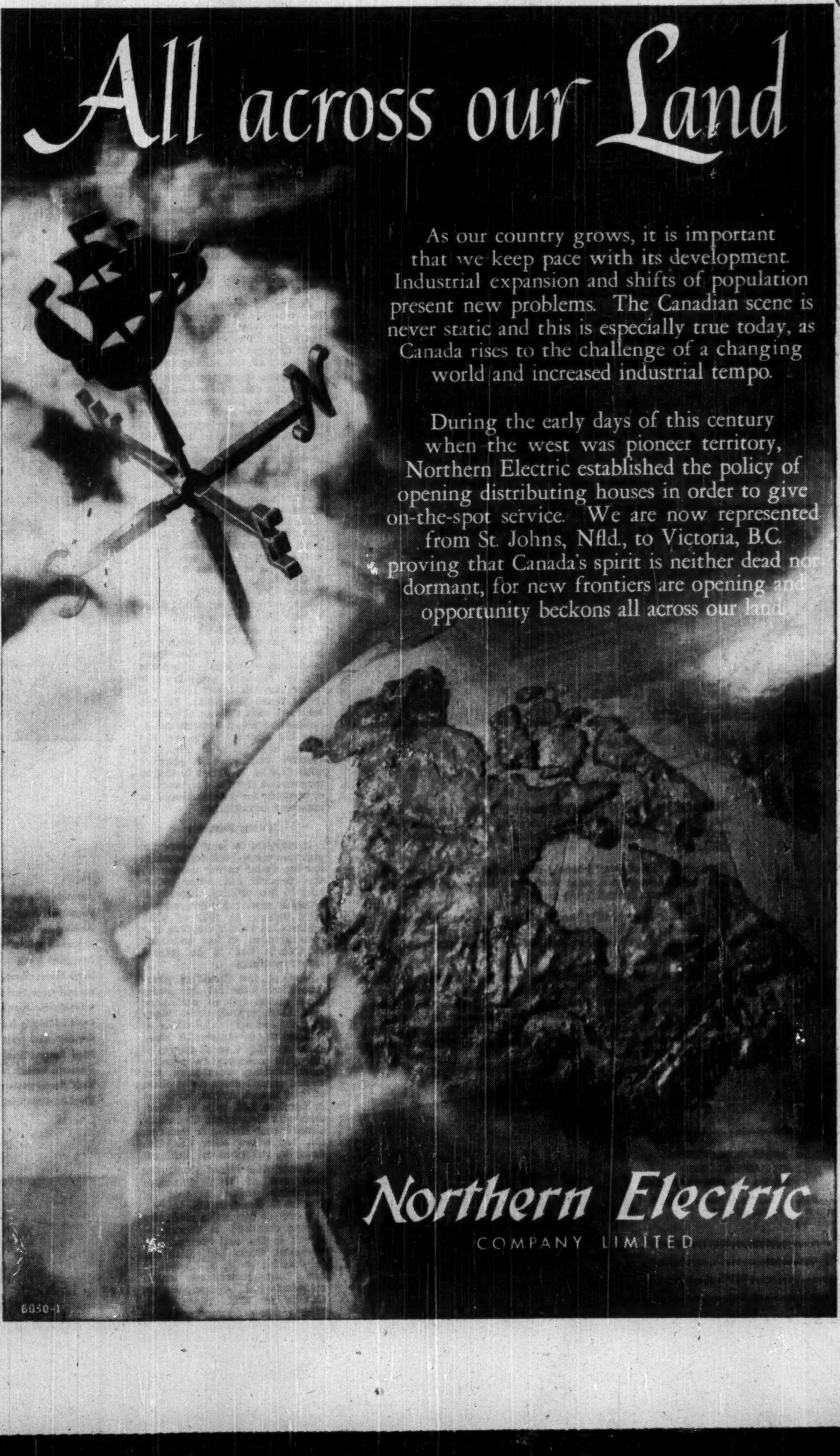


What Lab Research Means to Canada

Chemists In Government And Industry Face Big Program

Back of almost every new product is a new process and back of every new process are the chemists and research engineers.

Unlike the Hollywood variety, they're usually modest, hard-working individuals who get results more by systematic reducing of probabilities than by wildly exciting probings into the unknown.

More often than not, they work in groups and sometimes on just isolated parts of a project. On the average, they "click" once out of every four tries.

Just the same, they've chalked up some remarkable successes for Canada.

They've been in the forefront of metallurgical chemistry. They've done much of the original research on carbide. They are doing a great deal on the utilization of wood products. Their current research on uses of agricultural waste and surplus products is commanding world respect.

You find them everywhere, from the little office under the factory stairs to the more impressive surroundings of university, government and major business research laboratories. They are working on everything from rat poison to synthesis of the complex hormone molecule. Most of the heavy, fundamental research they perform under university or government auspices. With industry they keep their feet more solidly on the ground and specialize in product quality control.

Where Graduates Go

This year's university graduating classes turned out 750 chemists and chemical engineers. From early indications most of them were placed within the first few weeks, fewer than half of them with purely chemical companies. On the record of past years, at least 50% will have abandoned the laboratory for sales and executive jobs by the end of the tenth year.

Since Canada is one of the most keenly competitive areas in the world, most of the chemists will eventually find themselves in quality control work for industrial companies.

Already there is an industry-wide trend toward installation of control laboratories and employment of a graduate chemist or two; their chief job, to keep their employer's products highly competitive from the standpoint of cost, quality and design. For the thousands of small companies who feel they cannot afford to set up specially equipped laboratories, the various government and consulting research institutions is the best answer.

How the Plan Works

Ontario Research Foundation is one of these. In three years it has supplied information to 4,500 separate companies. About half of these enquiries required research efforts. The trek to the research lab is becoming a march, and this year the Foundation has budgeted for 4,000 queries. To a lesser extent the same trend has been noticeable in the other provinces.

Some of the research projects undertaken in the applied chemistry branch of the National Research Council at Ottawa are sponsored directly by industry. In some cases the work is carried out in the National Research Council laboratories by research staff engaged by the sponsor; in other cases the research staff is provided by the Council.

An example of a sponsored project at the moment is the work being done for a Canadian paper mill on the use of lignin, by-product of pulp and paper, in the compounding of synthetic and of natural rubbers. This project which is giving very promising results is expected to lead to a substantial reduction in the importation of compounding materials by the rubber industry, and to an improvement in the quality of synthetic rubber products.

Another recent development led to the commercial production of a new rain repellent for aircraft windshields. All tests have shown this to be superior to those previously available. Examples of major projects undertaken in co-operation with industry during the past 10 years are: the recovery of elementary sulphur from pyrite; the production of metallic magnesium from dolomite rock; production of synthetic detergents and of ethanol amines. The last two have led to commercial production based on processes developed in the National Research laboratories

On the Radioactive Front

By far the biggest development on the research front has been the use of radioactive isotopes as tracers in experiments. They have been termed "the most useful research tool since the invention of the microscope in the 17th century."

A minute quantity of some of these radioactive isotopes can be followed through a complicated chemical reaction, through the metabolism of the body, through an entire biological cycle. Dilution or chemical changes of the tracer isotope will make no difference, as the radioactivity will still affect a Geiger counter, ionize gases or darken photographic film.

Due to the excellent work of certain physicists, extremely sensitive electronic instruments are now available for detection of the various radiations emitted by radioisotopes. These instruments will make possible radioisotope tracing which will help solve problems hitherto not susceptible to attack by chemical or spectrographic methods.

Already these tracer atoms are being used in research covering such a scope of topics as friction, lubrication, diffusion, steelmaking, vulcanization, polymerization, catalysis, organic synthesis, etc. It appears certain that isotopes will play an important part in petroleum engineering, in chemical engineering, in metallurgy, in synthetic rubber research, in pharmaceutical investigations, in industrial hygiene.

That's a big part of the work of NRC.

Here are the highlights of the provincial research institutions from coast to coast. They involve projects whose solutions could change the face of many a Canadian industry, could open wide new trade doors.

British Columbia Research Council

More than 210 projects were handled last year in B. C. as compared with 160 the previous year.

Long term investigations include utilization of marine plants, improvement of softwoods by plastic impregnation and compression, production of domestic gas from sawmill waste.

Other projects include investigation into possibilities of producing cascara extract from the cascara tree; elimination of odor from kraft pulp process.

Experiments are under way to try to turn waste wood material into some useful product by using biological methods, e.g. organisms of wood destroying fungi have been cultured on hemlock and cedar sawdust. A few of the cultures show some promise of transferring waste wood into by-products that may be of some value.

Analytical and testing activities were carried out especially in the field of metallurgy, ore-dressing and foundry operation. Work was done on prevention of microbial attack on fishermen's nets. Work on a confidential basis was carried out for industry on a broad list of products including paint, antifreeze, insecticides, fertilizers, etc.

Research Council of Alberta

Scope of work being carried out in Alberta is very broad, including geological surveys to determine mineral resources; soil surveys to determine soils best suited for agricultural purposes and a highway research program to determine cause for deterioration of pavement on main highways.

Investigations are in progress on more complete use of coal, natural and other gases and petroleum, on separation and utilization of the Athabaska tar sands, on utilization of sand and clay and on biological cycles and the influence of these cycles on the fur industry.

The Provincial Government pilot plant at Bitumount on the Athabaska River was operated successfully during 1949 and demonstrated that there was no technical obstacle to mining bituminous sand and recovering oil from it. The remaining question is whether the whole operation is feasible economically.

Three new projects were started in the oil and gas industry: two, on different aspects of butane gas and one on an experimental study of the Pidgeon process for carbon black to evaluate its potentialities under Alberta conditions. Surpluses of hydrocarbon gases — methane, propane, butane, etc., — are likely to follow the large oil development, and if these can be utilized it will mean conservation of a valuable resource. Studies have also been made of suitability of deposits of silica sand for use in glass manufacture and of deposits of clay suitable for making brick and tile.

Prairie Regional Laboratory NRC

Work in the Prairies lab is directed mainly toward utilization of agricultural surpluses and waste products.

Extensive studies have been undertaken of ability of various micro-organisms to metabolize starch, glucose, etc., to produce some of the better known fermentation products, e.g. organic acids, simple alcohols, and some polyhydric alcohols as well as some of the more complex products including antibiotics, vitamins and enzymes.

For instance, it was found that a strain of ordinary corn smut was capable of very rapid utilization of glucose and the carbohydrates in wheat straw, corn meal and sugar beet molasses. The metabolic products included long colorless needle-like crystals, large quantities of fat-like substances and a chance contamination revealed that the organism possessed marked antibiotic properties.

Studies are being made on flax, sunflower and rape seed oils with a view to increasing usefulness for edible and industrial purposes. A study on straw is being made, particularly on one of its chief components, lignin. Samples of insulating and building boards are now being produced. It is proposed to start a study of the mechanism of bacterial metabolism using radioactive carbon.

Ontario Research Foundation

So heavy has been the demand for technical advice from industry, both large and small, that the Foundation has budgeted for 4,000 different calls this year.

Work is being done with a view to widening the market possibilities of linseed oil. In particular, work is being done on the problem of doing away with the characteristic and unpleasant flavor and odors in linseed when used in edible oils.

Manufacture of sponge iron in brick kilns has been successfully completed. This project could help reduce the steel scrap shortage in Canada.

Work is under way to determine accurately the shrinkage and stretch of rayon fabrics in laundering; another study is investigating the effect of moisture regain on the density and longitudinal swelling of single fibres of viscose rayon.

In the forestry field, work is being done on chemistry and utilization of white birch, the essential oils contained in the leaves, cones and twigs of 12 Ontario species; the possibilities of these projects appear very great.

Two important projects are supported by grants from the National Reseach Council; plastic dentures made from acrylic resins, and more recently a study of same material for inlays and fillings; study of polymerization problems associated with the production of synthetic rubber.

Nova Scotia Research Foundation

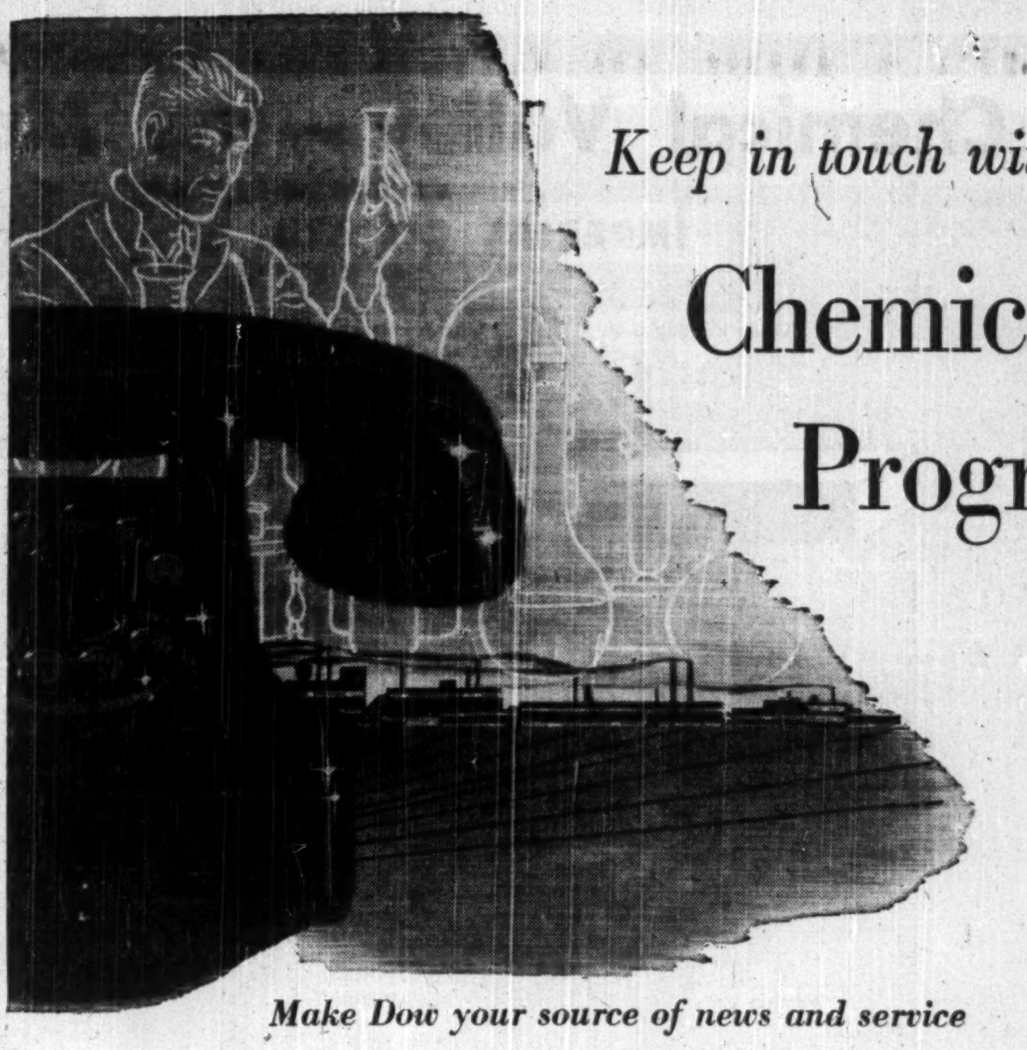
Extensive research is being continued in Nova Scotia on utilization of seaweed. From the Irish moss variety is derived an extract known as "carrageenin" which acts as a stabilizing agent in various food and pharmaceutical products. A major user is the cheese industry, and it's also put into ice cream, chocolate cream, etc. Experiments carried out to find value of seaweed as a fertilizer gave promising results, particularly in case of hay crops, potatoes and turnips. As a result, a comprehensive four-year program has been drawn up for further evaluation. Seaweed meal tests are now under way in diets of cattle, hogs, and poultry.

Extensive series of tests have been carried out on a number of cements containing varying proportions of blast furnace slag from the plant of Dominion Steel & Coal at Sydney. Particularly good results were obtained with cements consisting of mixtures of this basic slag and Portland cement clinker.

Further work was done on utilization of the extensive deposits of diatomite on Digby Neck. It was decided that the production of calcined material for the chemical fertilizer industry offered the best market for the Nova Scotia product. This would take the form of coatings for ammonium nitrate pellets or prills.

A promising investigation relates to manufacture of leather from fish skins. National Sea Products Ltd. is forwarding to Europe several tons of local fish skins for manufacture. When processed these skins will be marketed in Canada and possibly the U. S. in an effort to explore the market possibilities. If the venture is successful, local manufacture may get under way.

Everywhere, from the small industrial laboratory spurred on by competition to turn out more attractive goods than the other fellow, to the large governmental research offices striving for better development of Canada's natural resources, the tempo of research is picking up.



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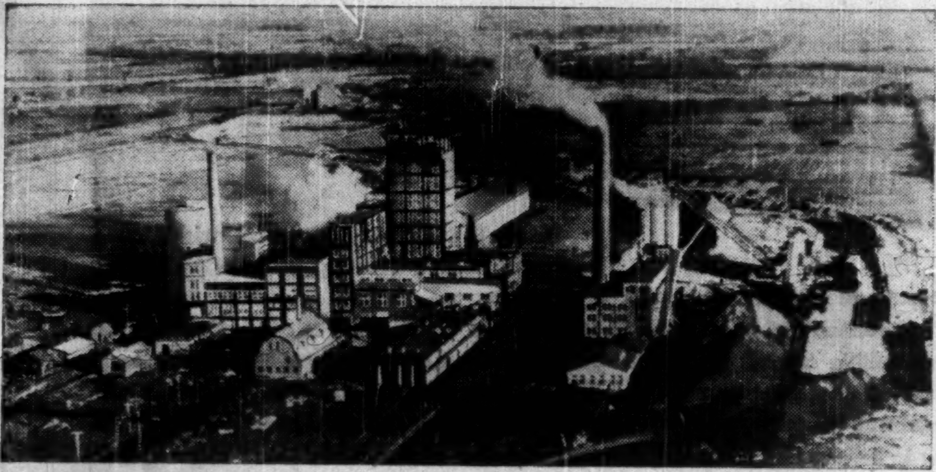

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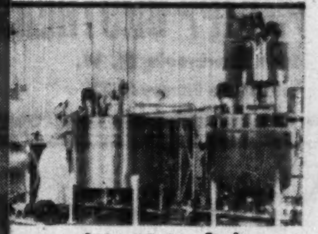

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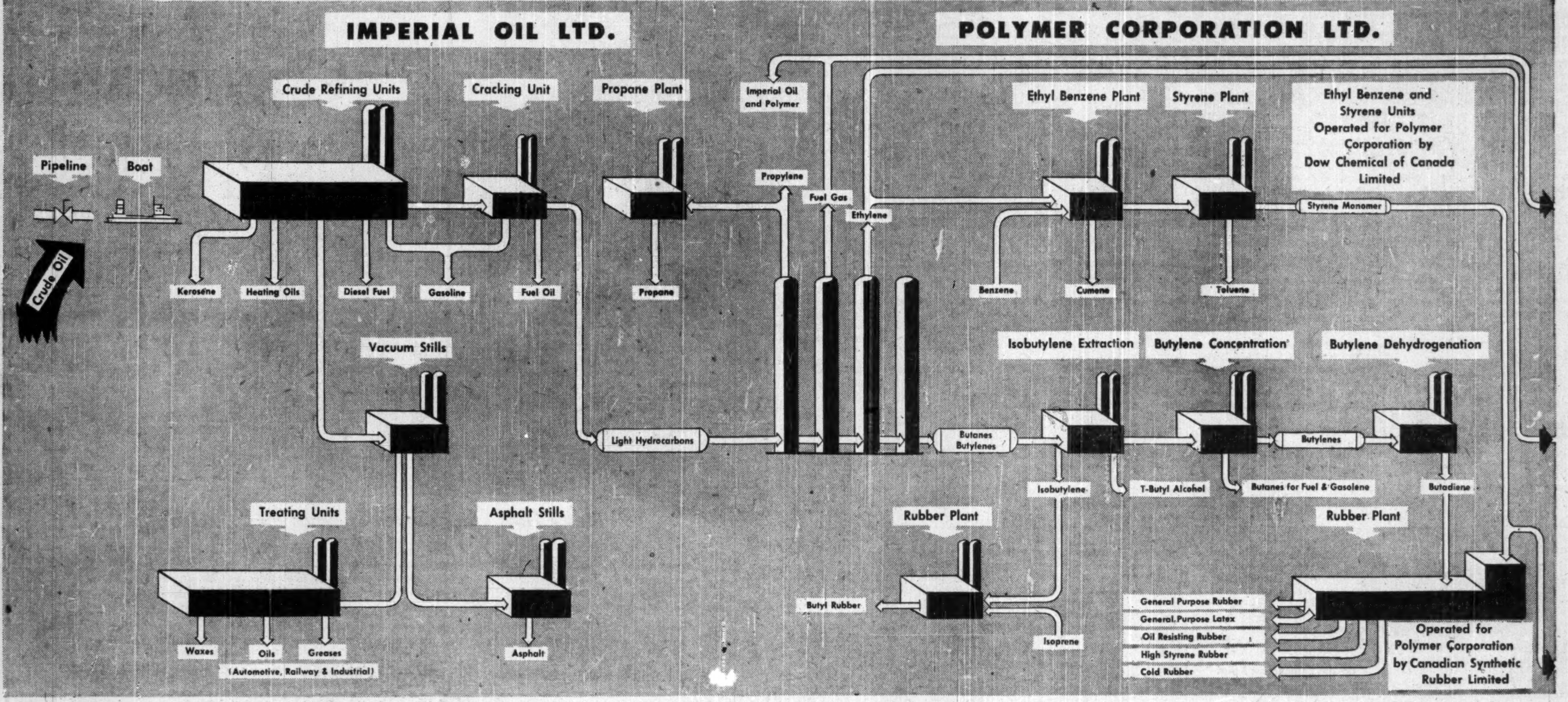

How Big Will Chemical Valley Grow?

In 1836, "The Rapids," a tiny hamlet on the St. Clair River in Ontario, was renamed "Sarnia" by Sir John Colbourne, then Governor of Canada. Sir John had been governor of the Island of Guernsey; Sarnia was the Roman name.

In the march of time few remember the original association. Today when the average Canadian thinks of Sarnia, he thinks of chemists and a booming chemical industry. Translated into today's scientific and industrial needs, Sarnia now means "Chemical Valley."

Here is Canada's most ambitious chemical project: the integrated multiproduct operation that's Imperial Oil plus Polymer Corp., and Dow Chemical of Canada with their $70 millions in plant and equipment.

Four Basic Materials

With just four basic raw materials — petroleum, salt, coal and water — Canada's chemical engineers and production men are making a stream of products. The volume is rising all the time. Today the output is worth about $35 millions.

Sarnia's chemical industry was born out of wartime need for chemical rubber. The offspring was the government - owned Polymer Corp. It did a tremendous wartime job, but many were doubtful of its prospects after the war. How wrong they were is testified to by the present.

Today, Polymer has carved a permanent niche in Canada's peacetime economy. It is not only meeting our entire requirements of synthetic rubber, but exporting about $10 millions. Last year exports represented 60% of total output.

Not long after Polymer's birth, Dow Chemical was called on by the Canadian Government to operate a styrene manomer plant as part of the Polymer operation for production of synthetic rubber. Dow was the only company other than I. G. Farben which had produced styrene commercially prior to the war.

E. R. ROWZEE
Manager, Polymer Corp.

Trade With World

Today Dow Chemical is meeting the entire domestic requirements of ethylene glycol for both antifreeze and explosives. Estimated production is around 40 million lb. annually. Its plastics are going to almost every country in the world.

Together (with Imperial's raw materials and Dow's privately owned plant started in 1947) Polymer and Dow Chemical are now turning out some 50 distinct products and the list is growing all the time.

Even scientists are a bit staggered by the vast possibilities for new products. Their magic elixir is light hydrocarbons. They are a byproduct of modern petroleum refining, supplied by Imperial Oil.

When these magic properties start playing tag with the other three basic materials — salt, coal, water — a whole new era can be opened up. To the man on the street, it will appear that they are making something out of nothing.

Supply Limited

At the moment, limited supply of these chemical gremlins is holding development down. But already products created by this new "triple alliance" are helping to create new industries, save us millions of hard-to-get U. S. dollars. In two or three years, the shortage should be licked through the installation of new refining plants.

But even at that, Sarnia's warborn baby will still be in its teens. How big it will grow, is something even the scientists won't guess at. Available byproducts for existing processes could be the basis of an entirely new chemical synthesis. For example, a steady stream of pure hydrogen is produced as a byproduct in the chlorine-caustics plant. So far nothing's been done about it but it could lend itself to production of ammonia or the hydrogenation of edible oils.

So far, the potential of the industry has been talked about in terms of one breed of hydrocarbons—ethylene. But there's another relative with perhaps even greater promise—propylene hydrocarbons. Nothing's been done about this as yet but, say the chemists, it should logically follow.

Possible new plants fall into two general categories: those which would supply existing industry and those which would convert products of existing industry into saleable materials. In the first category might be:

1. A refinery or refineries to supplement Polymer's existing supply of petroleum feedstock from Imperial.
2. A plant to supply carbon black for use in rubber in the latex form.
3. A methyl chloride plant to supply Polymer's butyl operations.

In the second category most likely expansion would be along these lines:

1. Manufacture of rubber end products based on available varieties of solid rubber and latex.
2. A plant for manufacture of detergents.
3. A plant for manufacture of a general line of chemicals based on propylene.
4. A polyethylene plant.

New $1 Million Plant

Already past the talking stage is a $1 million specialized solvents plant, utilizing some of the chlorine to make principally carbon tetrachloride, perchloroethylene and trichlorethylene. All of these solvents are used extensively by the dry-cleaning industry, are noninflammable and practically odorless.

Tetrachloride is also used for degreasing of all types of mechanical equipment, as an ingredient in several types of insecticides, and in certain types of fire extinguishing fluids.

Perchloroethylene is also used as a solvent in extraction of oils and waxes and as an intermediate in other chemical processes.

An important byproduct of the plant will be hydrochloric acid. This in turn is used as a deoxidizing agent by the steel industry, as an intermediate in many chemical processes, and as an agent to increase oil well production.

Existing Dow production units at Sarnia will provide all of the principal raw materials. It is expected to have the new plant in production before end of this year.

Dow Chemical has been in continuous production since July, 1943, supplying Canada's needs of styrene for Gr-S rubber and polystyrene.

In this plant, owned and financed by the Canadian Government through Polymer Corp., ethylene is taken from the Polymer light ends plant and reacted with benzene to form ethyl benzene. This in turn is reacted under high heat to form styrene monomer — a water-clear liquid. Part of this is bought by Dow for use in its own privately owned plant (started in 1947) in production of polystyrene for use as a plastic molding powder. The styrene is also supplied to Monsanto (Canada) Ltd. for use in its Montreal plastics plant. Since the polystyrene molding powders were formerly available only from U. S. sources, this plus the rapidly expanding plastics demands in Canada has meant savings of millions of U. S. dollars.

Not long after getting under way Dow started on an ethylene glycol plant at Sarnia to supply the Canadian market with ethylene glycol. Raw materials are ethylene purchased from Polymer, lime from Beachville, Ont., and other points, and chlorine which is either manufactured at Dow's new chlorine plant at Sarnia or purchased from other chlorine plants elsewhere. Polymer also furnishes Dow with steam, power and water for this plant.

Product Highlights

Here are the product highlights:

Ethylene glycol: widely used in various commercial ethylene glycol based antifreezes and as a chemical lubricant and plasticizer and certain explosives.

Diethylene glycol: essentially noted for a marked ability to pick up moisture, therefore used as a humectant for tobacco and dehydration of natural gas.

Ethylene oxide: used in preparation of thanolamines; widely used as a chemical intermediate in other finished chemicals.

Other products: triethylene glycol, ethylene dichloride and dichlorethyl ether, all of which have considerable use in various chemical fields.

In order to supplement its chlorine supply, Dow then built a chlorine plant. Since chlorine is made from salt, several wells were drilled into the salt beds a few thousand feet below the Sarnia plant. The brine goes through extensive purification and passes through special mercury electrolytic cells where it is split down into chlorine and caustic soda. The chlorine is purified and liquefied; then it's ready for use in either the glycol or solvents plant.

The caustic soda is used in soap, rayon and paper industries.

Polymer Future Bright

As for Polymer, since chemical rubber production is only in its

(Continued on page 29)

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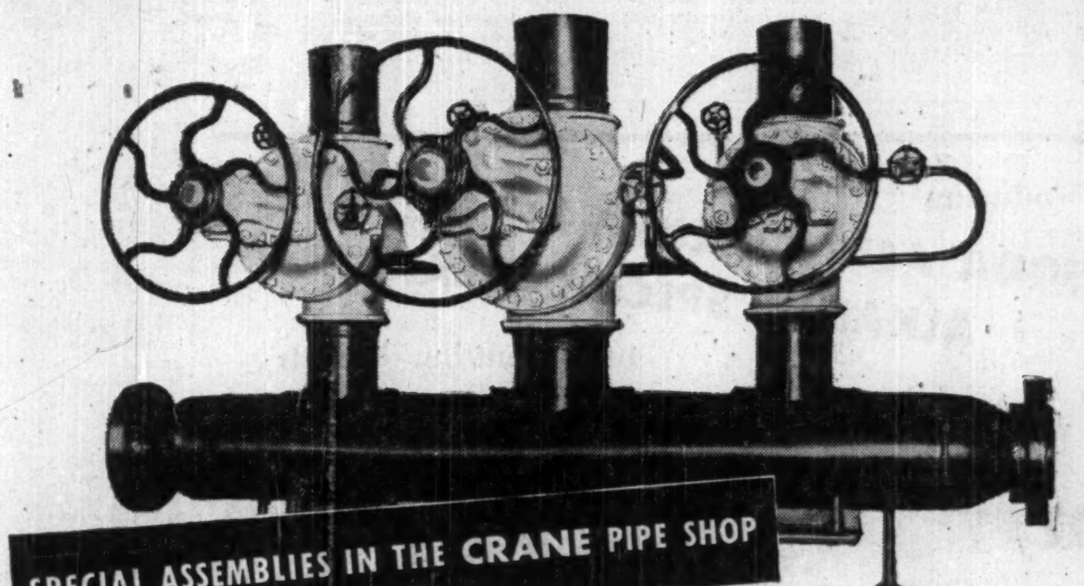

SPECIAL ASSEMBLIES IN THE CRANE PIPE SHOP

MORE and more industries are realizing the inherent economy of having their fabricated piping assemblies carried out under controlled conditions. It is seldom economical for industry to fabricate its own components either on the site or in its own shops. Successful fabrication depends not only on welding skill, but also on the availability of equipment and controlled conditions not normally found in plant machine shops.

For example—there must be correct positioning during welding if the whole job is to be carried out under ideal conditions. Controlled temperature during welding is also an essential. Again, stress relieving facilities for the largest components are required. Such conditions and facilities are economically possible only in a shop specializing in pipe fabrication, where the volume of work warrants the necessary equipment.

In the Crane Pipe Shop on St. Patrick Street, Montreal, welding and shop fabrication of piping components are carried out under conditions which are ideal. The volume of work which this shop handles has done more than make such conditions possible; it has also demanded and developed the best in metallurgical administration and staff skills—fundamental requirements for the operations involved.

TYPICAL of the type of work produced in our shop is the header unit shown above. This unit comprises a main, schedule 60, 16" pipe, reduced to 10" at each end, equipped with 600 lb. cranelap flanges. Header components consist of two No. 76½ XR, 600 lb. 10" steel valves and one 14", each with a 600 lb. 1" steel gate valve on the by-pass line. The whole unit was hydraulically tested at 1500 pounds pressure before shipment to the user—a large western city—for installation in their power plant extension between a pair of boilers.

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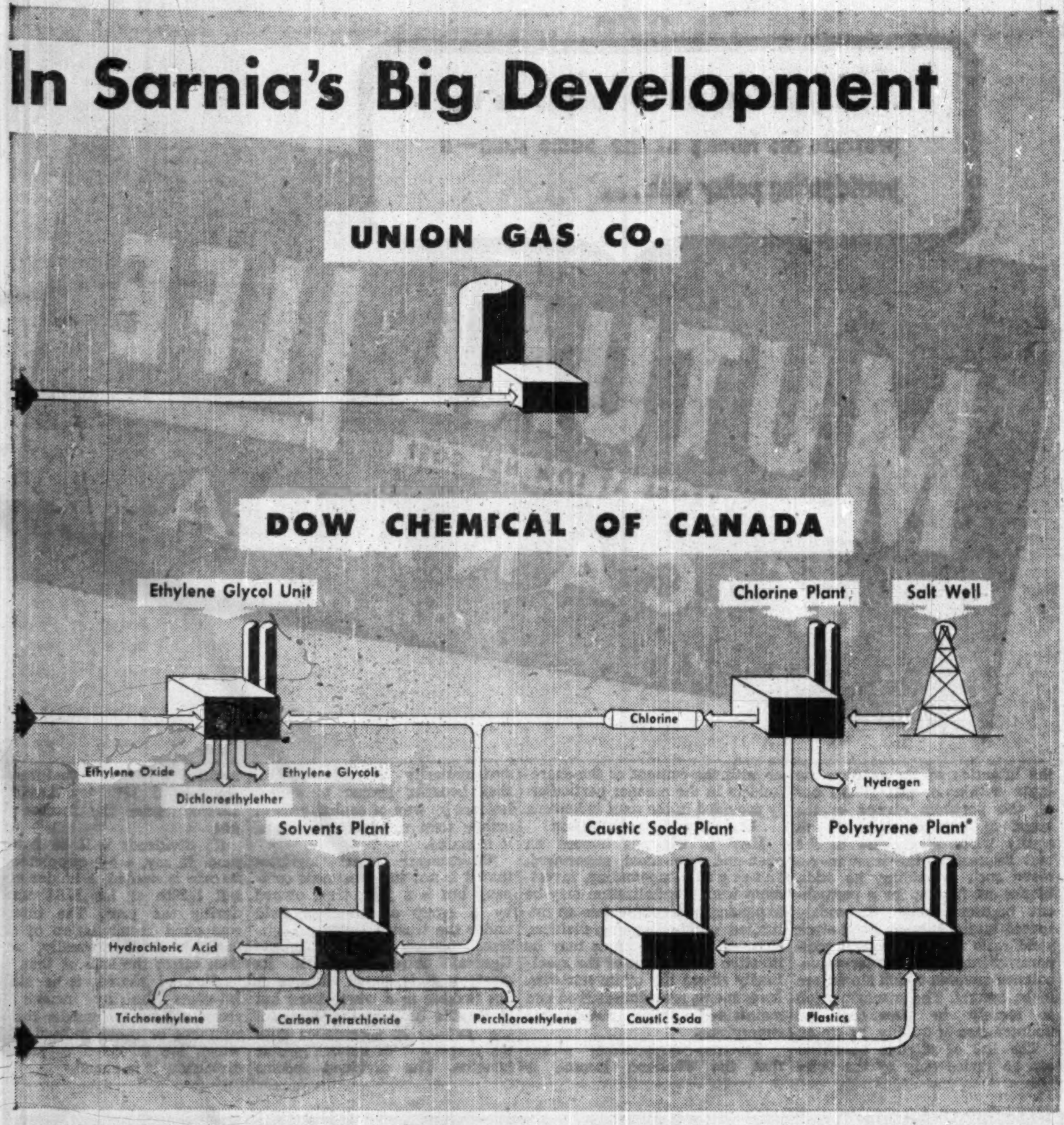

How Chemists, Farmers Work For Bigger Crops

(Continued from page 20)
anhydride), and 13% potash (expressed as potassium oxide). The order is always the same — nitrogen, phosphate, potash.

What research is doing

Research is developing new and improved sources of plant food. For example, the development of ammonium nitrate and nitrogen solutions have made available nitrogen carriers which are twice as concentrated as the older and more familiar carriers such as nitrate of soda. Superphosphate now contains 19% to 20% phosphoric acid instead of the 14% to 16% a few years ago, while manure salt, analyzing 26% potash, has been largely superseded by muriate of potash containing 60% potash.

As more concentrated carriers of plant food become available, it means fewer pounds of actual carrier material have to be used to supply the same amount of plant food in each ton of mixture.

One of the most interesting chapters in the development of this chemical industry in Canada is the way several of today's top fertilizer producers entered the business.

Consolidated Mining & Smelting began its chemical history while looking for a process of disposing economically of the troublesome waste sulphur gases arising from its metallurgical operations at Trail, B.C.

Canadian Industries Limited became a big producer of sulphuric acid primarily for explosive products, but demand in the fertilizer market for superphosphate became so great that the fertilizer branch of the sulphuric acid business became the bigger "crop" for the company.

Several of the large meat packing firms at first processed certain animal waste for fertilizer products. But since all animal byproducts — meat scraps, blood, bones — are important sources of proteins, etc., the waste products are now used almost exclusively in commercial feeds. Since the packing houses were already firmly established in the fertilizer field, they decided to switch from animal to chemical products almost exclusively, and now buy the chemical products raw materials which they in turn blend and mix into dry fertilizers.

Cominco's Story

The chemical story of Cominco, from its first search in the 1920's for a satisfactory way of disposing of its waste sulphur gases to its position today as the biggest fertilizer producer in Canada, turning out annually over 5[illegible]0,000 tons, reads like a novel.

Roasting of lead and zinc concentrates produced large volumes of waste gases containing sulphur dioxide. Residents complained of the injurious effects on vegetation, winds sometimes carrying the gases five miles and more across the U. S.-Canada border.

An International Boundary Commission formed to investigate the situation imposed such rigid controls on Cominco that the only practical solution was to remove substantially all the sulphur dioxide from the waste gases before they left the smoke stacks. The problem was to extract this SO_2 economically and to put it into marketable forms, so that recovery plants would be self-supporting.

Top company engineers went into a huddle. It was finally decided to recover SO_2 to make sulphuric acid and use it in manufacture of chemical fertilizers. In 1930 construction began on a $10 million plant.

Big factors behind the program: Prairies' market for large quantities of phosphatic fertilizer (this necessitated purchase of a phosphate mine in nearby Montana), and desire to keep operations as flexible as possible so that various products could be manufactured without too much plant disruption.

Low cost power facilities became a big factor in the decision to produce ammonia in two forms — ammonium sulphate and ammonium phosphate. By 1941 the annual chemical output had jumped from 25,000 to 150,000 tons.

Next stage in the chemical development came when at the request of the Federal Government, Cominco constructed and operated on a nonprofit basis, plants to make ammonia and ammonium nitrate at Trail and at Calgary Originally for explosives manufacture, it soon became apparent that full plant output would not be needed for th purpose.

Several company engineers at Calgary, while on loan to the Government, developed a process to make ammonium nitrate in the pelleted form suitable for fertilizer use, known as "Nitraprills." It's ammonium nitrate in a non-caking, uniform and free flowing form, and is now a big factor in the fertilizer export trade, successfully adopted by other manufacturers in Canada and U. S. At the end of the war Cominco bought the two plants from the Government and stepped up fertilizer output.

In March of this year Cominco chalked up an all time fertilizer shipment record from the Trail chemical plant when products valued at more than $4 millions were shipped to world markets. The shipment involved 1.5 million bags, or 77,400 tons. It consisted of approximately 15,600 tons of Nitraprills, 25,400 tons of ammonium sulphate and 36,400 tons of ammonium phosphate. Destinations included U. S., Hawaii, Philippine Islands, Korea and India.

North American Cyanamid Ltd., now also processes ammonium nitrate prills from its Welland plant acquired from the Dominion Government in 1946.

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What Does Future Hold For Chemical Valley?

(Continued from page 28)
infancy, important changes will likely take place in its operations. Discovery of new rubbers and further diversification may lead to construction of plants designed to make highly specialized rubbers.

Development of highly active catalyst systems will probably result in a complete change in the design of reaction equipment for the copolymerization of butadiene and styrene. Expansion of Polymer's activities as a supplier of light hydrocarbons and chemical intermediates is to be expected.

With all these expansion possibilities and indications of expanding markets for current products no one seems worried about the immediate future. The availability of large quantity of oil from Western Canada, a good deal of which will be transported to the Sarnia refining area via the International pipe line and tanker, should serve to intensify petrochemical developments.

And Sarnia has just about everything a booming chemical industry needs. That's why Polymer was located there in the first place.

It has the largest petroleum refinery in Canada and the only one capable at that time of supplying Polymer's requirements in petroleum-cracked gases and at the same time able to take back residual hydrocarbons.

Highly essential benzene was available from Steel Co. of Canada at Hamilton and Algoma Steel at Soo.

Coal readily available from Northern Ohio Lake ports.

The St. Clair River supplied the tremendous requirements for cooling water.

Salt brine was available from the local wells of the Dominion Salt Co. Good transportation facilities were available by water and rail.

And around 90% of the rubber-consuming capacity of Canada was located within 200 miles. These were the big convincing factors that determined the development of Canada's only petrochemical industry at Sarnia. They are the big factors enabling the project to keep going and expanding under competitive peacetime conditions.

Shawinigan Chemicals' Story Shows Progress from Research

Back at the turn of the century they had a surplus of hydro-electric power at Shawinigan Falls, Que.

There was a demand for carbide; the production of carbide requires large quantities of electric power. With that combination plus a goodly supply of one of the basic raw materials—limestone — Shawinigan Chemicals Ltd. was formed.

It's a typical example of a progressive Canadian chemical company, from a small beginning in a single field. Original research has helped to keep Shawinigan Chemicals in the forefront. Among other achievements it originated large-scale commercial production of calcium carbide; developed the first commercial method of producing acetic acid from acetylene, and worked out a way of making vinyl acetate, now important in plastics.

Discoverer of the present commercial process for carbide manufacture was Thomas L. Willson, later to be known as "Carbide" Willson. Several years after the parent company, Shawinigan Water & Power Co., decided to develop a power site on the St. Maurice River at Shawinigan Falls, the Shawinigan Carbide Co. was set up with Willson as a vice-president.

How Firm Started

Calcium carbide is made in electric furnaces from limestone taken from company's own quarries and coal bought in the open market. At first sole outlet for carbide was in production of acetylene for lighting purposes. But by 1903 acetylene's chief use had been developed—use in oxy-acetylene for welding and cutting.

The chemicals division of the company originated as a special war plant when, in 1915, the Imperial Munitions Board in London asked the Shawinigan company to investigate possibility of manufacturing acetone from acetylene gas. The product was to be used as a solvent for cordite, and acetic acid for protective coatings on the aircraft of that day and for other war purposes. Ten months' research evolved a process to yield acetone; the Canadian Electro Products Co. was formed to erect and operate the necessary plants at Shawinigan Falls. In 1927 that company became the chemicals division of Shawinigan Chemicals.

Also in 1927 the stainless steel and alloys division of the company came into existence with construction of a plant to manufacture acid-resistant steels in electric furnaces, producing castings for the chemical division, the pulp and paper company, and special customers.

The Chain Process

Around 20% of furnace products go to market as calcium carbide, the other 80% going into generation of acetylene. From that the chemicals division makes the wide range of industrial chemicals.

It is a chain process which at each stage permits some of a product to be drawn off for markets while the rest of it continues through the string of plants for conversion into other products.

Those marketed in large volume, beside carbide and lime include acetylene gas, acetaldehyde, acetic acid and its solvent esters, acetic anhydride, acetone, vinyl acetate and vinyl resins, Shawinigan acetylene black (used in dry-cell batteries and rubber compounding), chloral for insecticides monochloroacetic acid for weed-killer, plasticizers and resins. Many of the products and processes were developed in the company's own laboratories and are now used elsewhere under patents, yield royalties to Shawinigan. The company has long had the record of employing some of the leading research men in Canada.

Today the company's plants are housed in 70 buildings grouped over 100 acres at Shawinigan Falls. A wholly-owned subsidiary of Shawinigan Water & Power, it has its own subsidiaries and associated companies, including Shawinigan Ltd., London, and Shawinigan Products Corp., New York, as wholly-owned marketing units, and Shawinigan Resins Corp., Springfield, Mass., Canadian Resins & Chemicals, Shawinigan Falls, and Mid-West Carbide Corp., Keokuk, Iowa, as associated manufacturing companies.

SPORTSMANSHIP IN "CANADA UNLIMITED"

Fourteen thousand track fans packed the Melbourne, Australia, stadium. It was 1934 . . . year of the city's centennial. To celebrate the event, crack collegiate athletes from Canada, Australia and New Zealand were competing in a special sports festival.

Canada's 12-man team—largest of its kind to represent the nation abroad—took top honours. They won 8 of 11 events and shattered three Australian track records. Later, in New Zealand, they repeated their feat . . . taking 10 out of 12 top honours to make a clean sweep of the Dominions down under.

Best! of Canada Unlimited

Close teamwork and sportsmanship have earned many firsts for Canada's track stars. Sportsmanship and teamwork help you, too—in work and play. Together they keep your scope for opportunity in Canada . . . unlimited.

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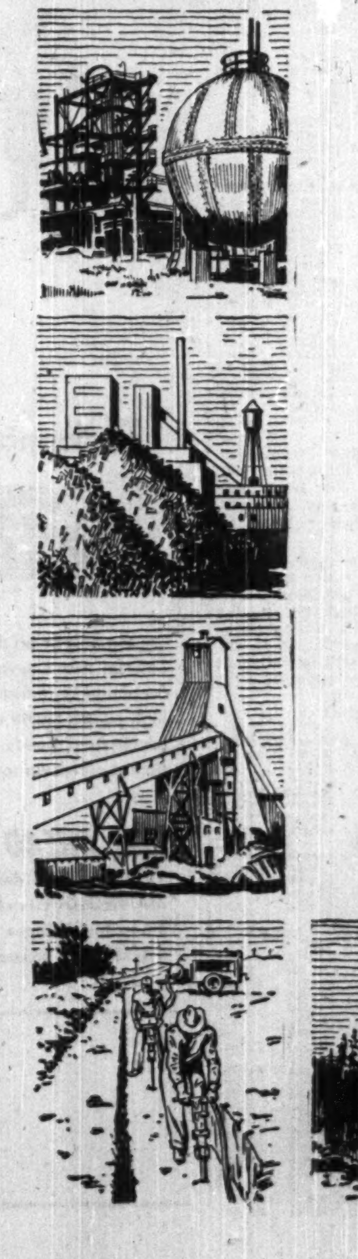

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For nearly seventy years, Canadian-built Ingersoll-Rand equipment has aided in the development of Canada's natural resources.

Established in Canada in 1882 and starting with the manufacture of air compressors, rock drills, hoists and pumps for Canada's first mines, mills, railways and canals, Canadian Ingersoll-Rand now builds a wide range of equipment to meet Canada's varied industrial needs.

Today we offer to all who are interested in the continued development of Canada's resources, the services of our engineering and manufacturing works in Sherbrooke, Quebec, and a coast-to-coast field organization. Our engineers will be glad to assist your technical staff or consultants in the application and installation of equipment to meet your Canadian requirements.

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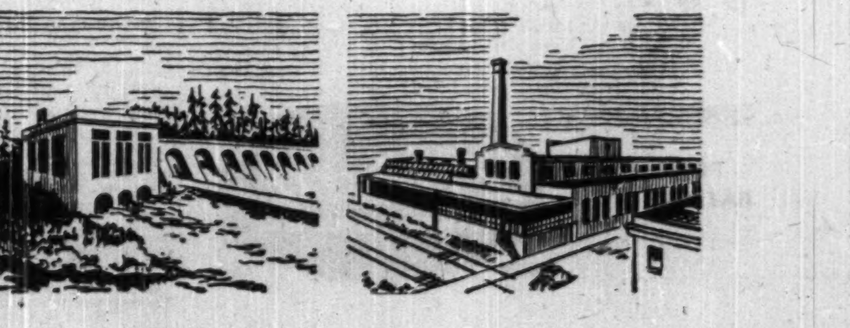


THE CIGAR OF CONNOISSEURS

Mutual Accumulating Fund To Be Offered Outside B. C.

Canadians outside of British Columbia, may soon have another mutual investment fund in which they can invest. It is Mutual Accumulating Fund, or MAF for brevity, initiated on Dec. 30, 1949 in British Columbia by Western City Co.

So far MAF is qualified for sale only in British Columbia, but preparations are now under way to qualify in other provinces, A. K. G. Reid of Western City Co. advises The Financial Post.

Distribution to date has been almost entirely in the hands of Western City Co. While no dealers have yet been approached by the firm, a growing number of interested dealers have contacted it for information. Outside of Western City, five B. C. dealers, one trust company and two banks have distributed MAF, Mr. Reid states.

MAF was initiated on Dec. 30, 1949, after six months of research and organizational work, by the purchase by Western City Co. of 5,000 shares at $9.50 a share or for $47,500. These were sold to clients at $10 a share. During the last week of January the initial portfolio purchases were made. Net assets stood at $200,309 at June 8.

Currently there are approximately 315 shareholders—a good proportion of whom are purchasing their investment on the MAF monthly payment plan with installments ranging from $10 to $100 per month, Mr. Reid states. The smallest shareholder is a school girl who bought five shares with $50 of her baby-sitting earnings. The largest shareholder is a business executive who has over $60,000 invested. He considers MAF a simplified medium for distributing his estate, Mr. Reid states.

Manager of MAF is Mutual Funds Management Corp., an administrative board of six professional investment men, all of Vancouver. They are: G. Lyall Fraser, Phillip A. Wootten, Craig M. Coyle, Geoffrey E. Wootten, Archie H. Cater and A. K. G. Reid.

Full Investment Policy

Investment policy calls for full investment at all times to achieve maximum income for re-investment. Assets are held entirely in stocks excepting only when the yields from bonds are more attractive; at such times, bonds are purchased temporarily until the yield of the eligible stocks, as a whole, shows at least a 1% advantage over bonds.

The main MAF plan of investing, based on dollar averaging, is called "dollar-value-balance." This is a method of long-range compound accumulation which, in the process of re-investing dividend income, takes advantage of the divergencies in the business cycles of the various industries. It requires that the amount invested in each stock be maintained at close balance in ratio to the other holdings. Thus dividend re-investment is guided to stocks which are temporarily depressed and away from stocks whose prices are relatively inflated. Theory of its proponents is that this procedure tends to ensure that, over the long term, the bulk of the investments will be made at lower-than-average prices.

Investment of assets is restricted to Canadian Government and Provincial bonds and the capital stocks of a list of 50 leading and long established Canadian companies and then only to the extent that no more than one-twentieth of the total value of the fund be invested in any one of these companies. These companies and current holdings are as follows:

Stocks:	Holdings June 8 1950
Aluminum Ltd.	...
*Bank of Montreal	150
*Bell Telephone	150
*British American Oil	200
*B. C. Power A	200
*Building Products	150
*Can. & Dom. Sugar	300
Canada Malting	...
*Canadian Bronze	250
Canadian Canners	...
*Canadian Celanese	150
*Canadian Industries	250
*Canadian Pacific Rly.	350
*Canadian Westinghouse	100
*Cockshutt Plow	400
Cons. Mining & Smelt.	...
*Distillers Seagrams	300
*Dominion Bridge	100
*Dominion Glass	100
*Dom. Oilcloth & Lin.	100
Dominion Textile	...
*Famous Players	400
*Ford Motor A	150
*Goodyear Tire & Rub.	50
*Hollinger Consol.	600
*Imperial Oil	200
Imperial Tobacco	...
*Indust. Accept. Corp.	150
*International Nickel	200
Laura Secord	...
*Loblaw Groceteria B	200
MacMillan Export A	...
*Moore Corp.	75
*National Breweries	200
National Drug pfd.	...
*Nat. Steel Car	300
*Noranda Mines	75
*Ogilvie Flour	300
*Page-Hersey Tubes	100
Penman's Ltd.	...
Powell River Co.	...
Price Brothers	...
Royal Bank of Can.	...
Russel Industries	...
*Shawinigan W. & Pwr.	200
*Southam Ltd.	300
Steel of Canada	...
H. Walker G. & W.	...
*George Weston	200
Zeller's Limited	...

*M.A.F. was commenced Jan., 1950, with approx. 3% of the assets invested in each of the 33 securities indicated.

The current portfolio of 33 stocks will be expanded to include others of the total eligible list as the capital of the trust grows, Mr. Reid states. It is not the intention of the manager to trade within, or sell stocks out of, the portfolio except in the event of real deterioration in equity when it appears in the best interest of the trust to remove such a holding, he adds. Stocks are bought for a permanent position except at widely spaced intervals when bond stock yield ratio may be brought temporarily into effect. Dollar-value-balance governs which stocks are to be bought. The manager's job is merely to supervise the maintenance of quality, he states.

The list of eligible securities can be varied only by the votes or with the consent of the shareholders in the manner particularly provided in the trust indenture.

Can Expand Capitalization

MAF is what is termed an open-end semi-fixed, supervised, internal-compounding, investment trust. Capitalization may be expanded to accommodate an unlimited number of shareholders. None of the trust funds may be invested outside out of the specifically stated list of investments. Investments are administered and maintained under professional supervision.

"Internal-compounding" means that the dividend income is systematically re-invested and that benefits accrue to shareholders by way of capital growth rather than dividend payments, it is stated.

"Investment trust" signifies that it is not an investment company but is a joint trust owned by a group of investors held under the trusteeship of a registered trust company (Toronto General Trust Corp. is its trustee), it is stated. Income is not taxable as a whole trust but is taxable only in the hands of the investor in accordance with his proportion of annual income benefits. The dividend income credited to holders qualifies for the special 10% tax credit as allowed under the Income Tax Act.

No dividends will be paid as such. If, say, a 5% supplemental income is needed, a holder could sell 1/20th of his MAF shares during the year. The internal compound accumulation of dividends should, normally, more than offset the sale of that proportion of shares, it is stated. Investors desiring income are recommended to consider the advantages of other mutual funds which are designed to pay out dividends, it is stated.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

CANADIAN COTTONS LTD. net profit of $1,272,520 for the year ended March 31, 1950 was up 9.9% from the previous year. President E. C. Fox points out, however, that in 1948-49 $500,000 was transferred to inventory reserve; over-all net profit is therefore less, he states, due chiefly to higher wage rates and costs of supplies and social benefits.

Mills continued to operate at high average levels. Although demand has eased in some fields, it has increased in others and the company's diversity of products has a stabilizing effect on over-all sales volume. Current profits however, warns Mr. Fox, are almost entirely dependent on volume and are therefore in a vulnerable position. But if there is no general recession in world trade, current operating conditions should continue.

While British mills currently are occupied chiefly in supplying sterling area demand, "it seems only a matter of time" until they turn to Canada. Japan provides another source of "danger to the industry."

Coupled with these factors, "it is difficult to foresee how there can be any appreciable drop in American cotton prices." Biggest adverse factor in cost of operations for the coming year is the increased cost of raw cotton caused by devaluation of the Canadian dollar.

INCOME ACCOUNT

Years Ended Mar. 31:	1950	1949
Net earnings	$3,119,696	$3,363,983
Less: Depreciation	1,028,186	910,548
Bond int.	78,750	78,750
Inventory res.	......	500,000
Contingent res.	20,240	16,756
Taxes reserve	720,000	900,000
Net profit	1,272,520	1,157,929
Less: Pref. divds.	198,312	198,312
Com. divds.	457,083	415,530
Surplus for year	617,125	544,087
Earnings per Share and Dividend Record:		
Pref.: Earned	$7.70	$7.01
Paid	1.20	1.20
Com.: Earned	7.76	6.93
Paid	2.80+0.50	2.50+0.50

CONDENSED BALANCE SHEET

As at Mar. 31:	1950	1949
Cash	$291,845	$309,392
Accts. rec.	2,702,312	2,294,646
Investments▲	3,900,821	5,448,652
Inventories	6,013,180	5,127,919
Total curr. assets	12,908,158	13,180,809
Invests. in subs.	738,603	713,603
Misc. assets	329,957	352,348
Fixed assets	25,838,329	25,005,202
Total assets	39,815,047	39,251,962
Accts., tax., etc., pay.	1,668,996	2,032,496
Cotton acceptances	1,795,546	2,499,009
Total curr. liab.	3,464,542	4,531,505
Funded debt	3,000,000	3,000,000
Deprec. res.	20,157,041	19,129,755
Contingent res.	540,000	540,000
Capital stock	6,075,400	6,075,400
Capital surplus	367,930	364,930
Earned surplus	6,210,134	5,610,372
▲Market value	4,978,600	6,385,000
Working capital	9,443,616	8,649,304

STERLING COAL CO. Consolidated net profit for the year ended March 31, 1950, amounted to $49,151, up slightly from the previous year's $44,916. Dollar sales were higher despite a below-average domestic consumption of fuel caused by the milder winter. Sales of Sunoco gasoline and oil were up.

President A. R. Gibson reports that considerable study is being given to developing an automatic furnace to burn small sizes of anthracite and give the consumer substantial savings. "This furnace promises to afford real competition with oil and gas burners," he states.

CONS. INCOME ACCOUNT

Years Ended Mar. 31:	1950	1949
Net earnings	$122,938	$121,719
Less: Deprec.	29,937	34,093
Bond interest	6,250	7,650
Income tax	37,600	35,660
Net prof. & surplus§	49,151	44,916

§Excludes assets and invest. profit of $3,285 in 1950, $1,502 in 1949.

Times Interest Earned:		
Before deprec.	19.67	15.91
After deprec.	14.88	11.45
Earnings per Share and Dividend Record:		
Common	$1.97	$1.80
None paid.		

CONDENSED CONS. BALANCE SHEET

As at Mar. 31:	1950	1949
Cash	$120,399	$37,983
Accts. rec.	278,650	225,490
Inventories	112,193	161,782
Total curr. assets	511,242	425,255
Misc. assets‡	48,255	52,799
Fixed assets*	280,594	272,489
Goodwill	2,500,000	2,500,000
Total assets	3,340,091	3,250,543
Accts., tax., etc., pay.	222,755	150,644
Bonds maturing	35,000	35,000
Total curr. liab.	257,755	185,644
Funded debt	95,000	130,000
Capital stock	2,500,000	2,500,000
Surplus	487,336	434,899
*After depr. of	388,166	383,279
‡Incl. ref. EPT of	3,091	3,100
Working capital	253,487	239,611

GREAT WEST FELT CO., Elmira, Ont., net profit of $23,068 for 1949 was down sharply from 1948's $80,713 due to "extremely mild weather" which cut sales volume by about 28%.

Efforts are being made to improve quality and reduce manufacturing costs, and progress along these lines in the last few months has been encouraging, states President L. A. Dunbar. It is expected that results will be reflected in more profitable operations in 1950.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Sales	unstated	$1,100,086
Net earnings	$65,287	150,570
Less: Deprec.	24,145	19,547
Income taxes	18,074	50,310
Net profit	23,068	80,713
Less: Pref. divds.	12,284	12,438
Com. divds.	31,902	21,210
Surplus for year	▪21,118	47,065
▪Deficit.		
Earnings per Share and Dividend Record:		
Preferred	$0.94	$3.27
Paid	0.50	0.50
Common	0.30	1.93
Paid	0.90	0.60

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$16,416	$200
Accts., etc., rec.	56,794	78,182
Inventories	172,710	214,677
Total curr. assets	245,920	293,059
Prep. exp.‡	3,149	4,746
Invest., adv., subsid.	21,641	......
Misc. assets▲	1,543	4,745
Fixed assets*	367,516	379,017
Trademarks	75	75
Total assets	639,844	661,642
Due bank	30,000	12,066
Accts., etc., pay.	43,420	55,713
Tax. pay.	8,894	22,595
Total curr. liabs.	82,314	90,374
Capital stock	173,500	173,500
Capital surplus	297,224	306,806
Earned surplus	86,806	110,962
*After depr. of	54,985	33,855
▲Incl. ref. EPT	43	3,245
‡Included in curr. assets in co's report.		
Working capital	163,606	202,685

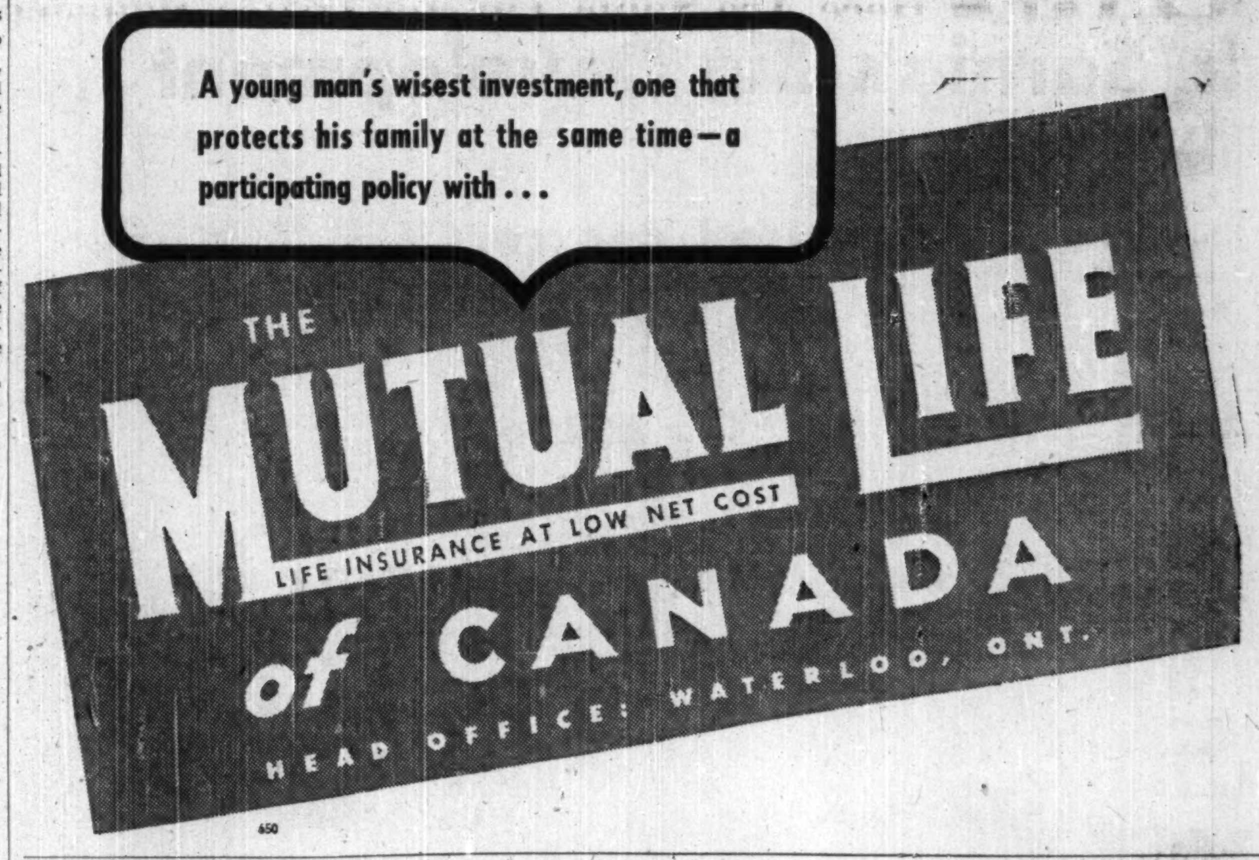
Everything in AIR HANDLING EQUIPMENT and Gyrol FLUID DRIVE

CANADIAN SIROCCO COMPANY, LTD.
310 ELLIS STREET, WINDSOR, ONT.
Offices in Principal Cities

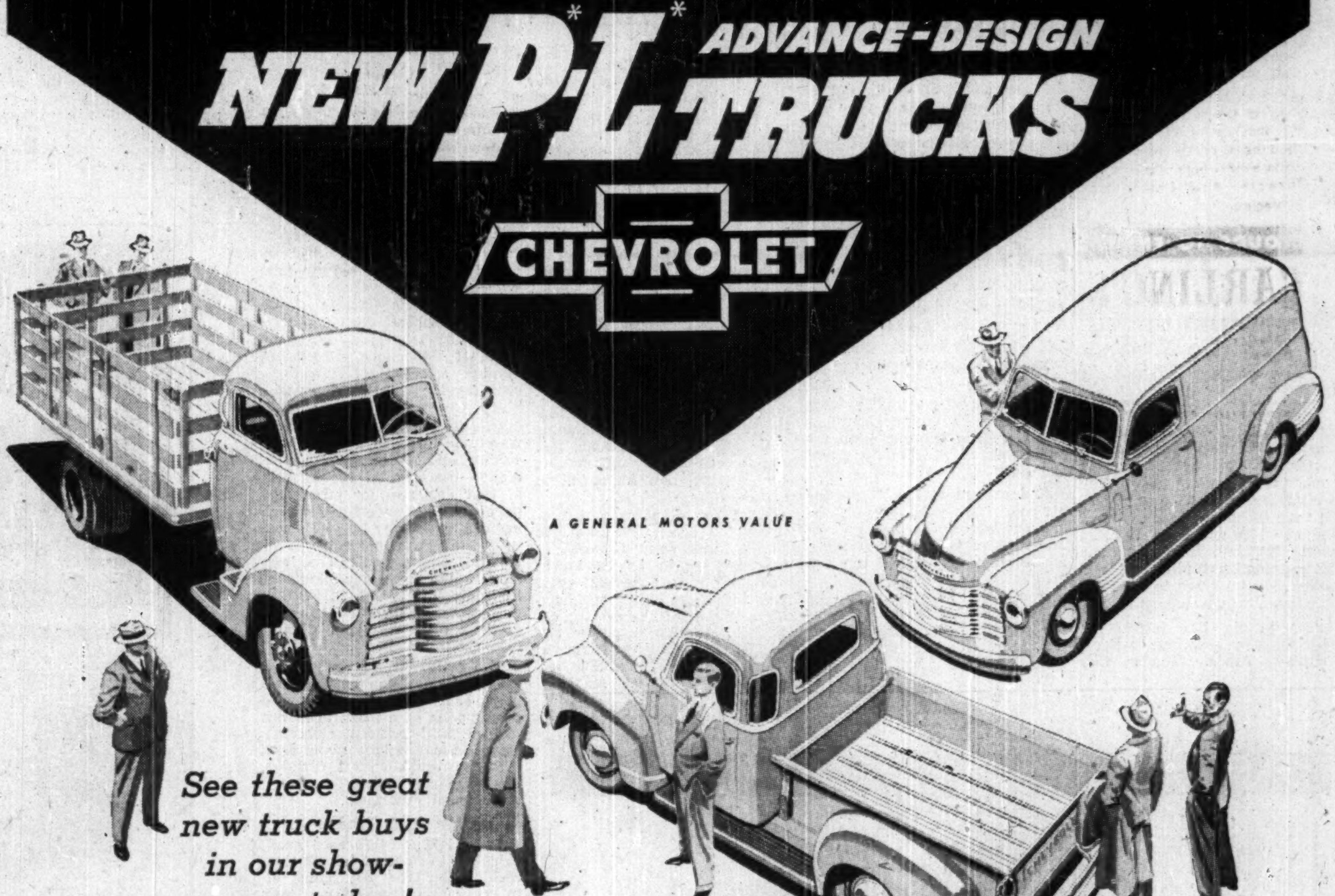
Bracing

"Grand water for bathing." Yes, that's what they say across Ontario. They mean it's warm enough and yet refreshing. In a bracing early morning dip or afternoon laze on the sand, U.S. visitors find health and fun at Ontario beaches. The tourist trade is big business in the province and everyone benefits from it. Give our U.S. guests the welcome that will bring them back. John Labatt Limited.

Labatt's BREWERS SINCE 1832
UNION MADE



Here Are Canada's Most Outstanding Truck Values



Performance Leaders — Most Powerful Chevrolet Trucks Ever Built!

On the hills or on the straightaway, the efficient new Chevrolet P • L Trucks are far ahead in performance. They give you high pulling power over a wide range of usable road speeds — and high acceleration to cut down total trip time.

Payload Leaders — Cost Less To Operate Per Ton Per Mile!

Far ahead with lower operating costs per ton per mile. The rugged construction and all-round economy of Chevrolet P • L trucks cut running and repair costs — let you deliver the goods with real reductions in cost per ton per mile.

Popularity Leaders — Preferred over the next two makes combined

Chevrolet trucks, for the last 12-month period, have outsold the next two makes combined — convincing proof of the owner satisfaction they have earned through the years — proof that Chevrolet is far and away the most wanted truck.

Price Leaders — Outstandingly low cost of operation and upkeep

From low selling price to high resale value, you're money ahead with Chevrolet trucks. Chevrolet's rock-bottom initial cost — outstandingly low cost of operation and upkeep — and high trade-in value — all add up to the lowest price for you.

FAR AHEAD with all these PLUS FEATURES • THREE GREAT VALVE-IN-HEAD ENGINES: the Husky 110-h.p. Torque-Master, the New 105-h.p. Load-Master and the Improved 92-h.p. Thrift-Master — to give you greater power per gallon, lower cost per load • IMPROVED CARBURETOR AND MANIFOLDING: smoother, quicker acceleration response • DIAPHRAGM SPRING CLUTCH for easy-action engagement • SYNCHRO-MESH TRANSMISSIONS for fast, smooth shifting • HYPOID REAR AXLES — up to and including the 2-ton models • DOUBLE ARTICULATED BRAKES — for complete driver control • WIDE-BASE WHEELS for increased tire mileage • ADVANCE-DESIGN STYLING with the "Cab that Breathes" • BALL-TYPE STEERING for easier handling.

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DAVIS VOLTAGE CONTROLS

Include close differential potential relays which can control voltage to 2%. Describe your problem.

Davis AUTOMATIC CONTROLS Limited
TORONTO MONTREAL

The Wawanesa
Mutual Insurance Company
ORGANIZED IN 1896

Admitted Assets	$11,065,614.13
Surplus	4,033,971.64
Dom. Govt. Deposit	3,774,563.39

Write for Financial Statement

Head Office WAWANESA Man. — Eastern Office TORONTO Ont.
Branches at Vancouver, Saskatoon Winnipeg and Montreal

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The CRESTED FLYCATCHER is common in parks, orchards and woodlands. He's olive-grey, reddish-brown and sulphur-yellow in color. Look for his short, ragged crest. His loud, harsh cry is heard in tall trees everywhere. He lives on Insects, and should be protected.

YOURS TO ENJOY

CARLING'S

THE CARLING BREWERIES LIMITED
WATERLOO, ONTARIO
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How Streamline Procedure and Reports? Here Are Some Tips for Office Managers

What are the responsibilities and function of an office manager? What should be his position in an organization? These questions were discussed recently by D. C. Carlisle, treasurer of Goodyear Tire & Rubber Co. of Canada. Here is his address:

By D. C. CARLISLE

People resist change tooth and nail. They will produce tens of reasons for continuing to employ unnecessary people, make unnecessary reports, do unnecessary work. Having conditioned their minds to the competitive problem, the office manager must study the work to see what is necessary and what can be cut out or amalgamated.

A tremendous amount of duplication and overlapping has crept in during the past few years. Simplify and streamline your procedures and reports. Question every report. Why is it made? Is it adequate? What can be cut out? Will it show the trends? How can it be improved?

Having reviewed and revised your system apply quantitative measurement to the work involved. This will show you where your staff is too large. Also apply qualitative measurements of the results of the individual's work. This will show you where you have inefficient people who should be replaced.

Complacency is the evil of our problem. Too many people refer to the "return to normal times." Normality, in their conception, is a mid-Victorian state of affairs. The only normal times that you and I know anything about are the present times.

Study the new reports you prepared for your purpose. They will indicate the trend of your business, which is more important to you than the trend of business in general. Have your thinking attuned to c h a n g e — perpetual change. Be prepared to move with the change. Know what action you will have to take if your business increases 10%, 15% or 20%—or what action to take if your business decreases 10%, 15% or 20%.

Only by being in this condition and having such control can you really call yourself an office manager and be of real use to top management.

The Title and Function

Comparatively few companies have given out the specific title of Office Manager. Quite a few, however, have given Office Management titles of limited responsibility—such as Office Manager of the Sales Department, Office Manager of the Export Division, etc. But in still more cases the function of Office Management has devolved upon some executive of the company who seems to have risen through the organization and has had experience in handling an office.

This is a very poor approach to the problem of office management and indicates a complete lack of understanding of the importance of the function of office management in the over-all operation of business and has the net effect of overloading a senior executive. It is amazing how many businesses stumble along with this important function not properly assigned.

The broad function of office management cuts across all departmental functions, such as Order, Sales, Credit, etc., and is responsible for all clerical personnel, equipment, space allotment, record keeping, and other routine clerical operations regardless of from whom and by whom they are performed. The office manager is also responsible for the enforcement of company policies and practices. As a result of experience, knowledge and proficiency in handling this class of work, the office manager is in a position to relieve functional department heads of responsibility for this type of work, thus leaving these functional department heads much more time for their own duties.

The office manager is also in a position to act as an adviser to these department heads, giving them the benefit of his experience in such matters as procedures and reports.

His Responsibilities

The office manager should be responsible for the following:

1. Office personnel.
2. Testing and interviewing.
3. Induction.
4. Training.
5. Production standards.
6. Performance.
7. Procedure and policy enforcement.
8. Office space and allotment.
9. Office equipment and its utilization.
10. Cost consciousness and efficiency in the office organization.

The position calls for a person of major managerial capacity — one who is analytical, factual, impartial, decisive, and a good organizer.

In order to have maximum effectiveness, the office manager should report to top management, so that his decisions will have authority and he will be relieved of undue influence created by conflicting local and departmental authorities.

Office management is the administration of all the service facilities handled in an office.

Objective

The objective is to get the effective direction of the human labor engaged in the function and to increase the value of the service so as to make it more useful.

Office Management should have the broad over-all view of, and be concerned with the ultimate objective of the business and its operation, and should be continually providing suggestions, ideas, plans and proposals for the office management functions so as to produce more useful results and be a greater asset to the business.

It should look beyond the immediate operation in hand and seek to develop services and facilities that would be more useful to the management in determining matters of over-all policy and planning.

The companion requirement to developing service facilities is to learn how to carry on these operations at a lower and lower cost as compared with the over-all operation.

Wartime Training

During the war, it became necessary to set up some entirely new enterprises and to rapidly expand other existing enterprises. Many of the problems were entirely new to the people who had to handle them, and, as a result of unfamiliarity with what they were trying to do, and the need for producing immediate results, new systems and procedures were improvised on the spot. Time did not permit adequate study of a good many of them, nor were adequate production standards set, with the result that many offices found themselves, at the end of the war, with greatly increased staffs and a very high cost factor in the administrative end of the business.

With the larger increase in staff there had been a gradual letdown in standards of productivity and efficiency. Old and well-seasoned personnel in many offices were rapidly diluted with the influx of new comparatively disinterested personnel required by the expanded operation. These new people did not, in many cases, have the "old school spirit," and they were much more interested in remuneration than in productivity and efficiency. This could not help, in the long run, but affect some of the older employees.

In the struggle for higher wages and salaries that ensued, people forgot that money is worth no more than what they produce in the process of earning money. Business thinking, in many cases, softened by wartime high floor prices and profit, fell into the same erroneous idea of sacrificing productivity and enterprise for higher prices in money. All of this worked as long as the shortage of goods existed and the sellers market continued.

This false set of conditions made for inefficiency and laxity which, in turn, resulted in high cost producers. It applied to offices and administrative staff just the same as to plant.

Competition

Shortages are gone — sellers market gone — competition has entered — prices have been forced down in the fight for available sales—dollar profits have dropped.

The end result is either that business will go under or management will improve—and management, of course, takes along with it office management.

Competition has been felt in the need for better products, newer services, lower cost. Competition affects an organization right to its roots, from the president to the office boy. The office manager, of course, must lead the way as his share in the fight for lower costs.

Only well-directed labor produces more than it consumes. Every employee has to eat, buy clothes, have lodging. All of this costs money which he obtains from his production. If he only produces enough to cover his consumption, neither he nor the business is getting anywhere, but, if he produces more than he consumes, then the national wealth is being built up, and this, of course, holds true for company wealth and individual wealth.

Office management is the function of directing office labor productivity. To achieve lower costs and greater productivity (or "results"), it will be necessary for the office manager to sell a new line of thinking to the department heads who produce the office output. In many cases, with department managers, their job has become an end and not a means to an end. It is human instinct to glorify what you are doing—to build up small empires for the purpose of enhancing your value in the eyes of others— to stimulate your ego with the feeling that goes with large and involved operations.

The office manager must be a leader in thought in order to give the departmental heads a creative inspiration, a vision of what can be done and an interest in achieving it and improving production output.

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Work is starting on the first of Canada's long pipelines, an ambitious development that will take oil economically from Alberta to new markets. The pipeline will be underground for 1150 miles. And to help protect that investment, the entire line will be wrapped with Fiberglas. Fiberglas underground pipe wrap is yet another useful product . . . where the qualities of Fiberglas are being utilized to the full. We are proud indeed that the pipe line engineers specified Fiberglas "Coromat" underground pipe wrap.

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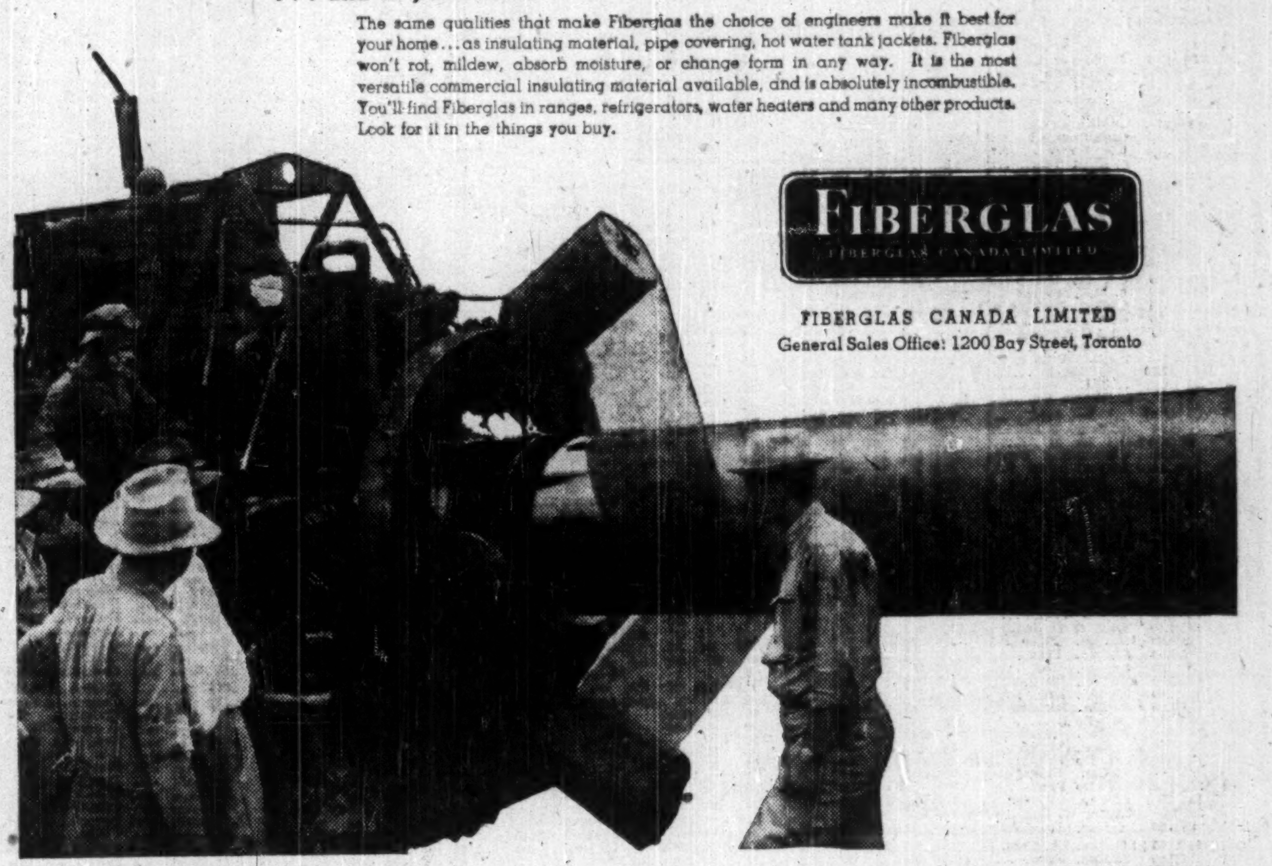

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General Sales Office: 1200 Bay Street, Toronto

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

LONDON HOSIERY MILLS LTD., London, Ont., net profit of $63,533 for the year ended Mar. 31, 1950, was down 46.5% from the previous year. Volume of sales, off 21%, coupled with lower prices resulting from imports and keener domestic competition, cut net value of sales by 29%.

At the same time, production costs showed a "considerable increase," states President J. A. McKeenan. Prices of yarns and other materials used were higher, while devaluation boosted the price of U. S. raw materials and equipment; wages increased 5% and maintenance and other charges rose. Wool prices are now at a 25-year peak.

Continued downward pressure on selling prices, coupled with higher costs and indicated increased foreign competition, means that high quality merchandise must be manufactured and sold at a very close margin.

INCOME ACCOUNT

Years Ended Mar. 31:	1950	1949
Net earnings	$118,870	$209,263
Less: Deprec.	16,723	13,184
Inc. taxes	38,614	77,338
Net profit	63,533	118,741
Less: Cl. A divds.	36,000	36,000
Com. divds.	80,000	80,000
Deficit for year	52,467	*2,741

*Surplus.

Earnings per Share and Dividend Record:	1950	1949
Class A	$1.41	$2.64
Paid	0.80	0.80
Common	0.34	1.03
Paid	0.60+0.40	0.60+0.40

CONDENSED BALANCE SHEET

As at Mar. 31:	1950	1949
Cash & Dom. bds.	$336,295	$360,841
Accts., etc., rec.	71,726	98,870
Inventories	274,559	236,698
Total curr. assets	682,580	696,409
Prep. exp.§	16,117	14,242
Invests.	38,313	38,201
Ref. EPT	3,278	7,540
Fixed assets*	118,698	115,601
Total assets	858,986	871,993
Accts., tax., etc., pay.	32,886	27,996
Divd. pay.	53,000	29,000
Total curr. liabs.	85,886	56,996
Capital stock	125,000	125,900
Earned surplus	648,100	689,997
*After depr. of	314,091	301,758
§Incl. in curr. assets in co's report.		
Working capital	596,694	639,413

DOMINION DAIRIES LTD. net profit for the year ended March 31, 1950, amounted to $46,169 compared with $15,968 in the previous year. Over-all sales volume was up 4.6%, with milk and cream, concentrated milk products and ice cream all higher and butter off slightly. Value of sales was down slightly due, states President W. R. Aird, mainly to reduction in selling prices of butter and concentrated milk products.

Maximum depreciation was taken, amounting to about $200,000 more than was allowed under the old regulations. Capital expenditures totaled $272,362.

During the year, 1,028 7% preferred shares of subsidiary Crescent Creamery Co. were purchased for 12,336 common shares, bringing total holdings of this preferred stock to 54.2% of the total outstanding.

The $100,000 reserve for contingencies has been transferred back to earned surplus.

INCOME ACCOUNT

Years Ended Mar. 31:	1950 $	1949 $
Sales	16,629,076	16,680,384
Net earnings	763,079	692,145
Less: Deprec.	583,291	559,219
Bond interest	104,781	106,844
Income tax res.	28,838	10,114
Net profit	46,169	†15,968
Less: Pref. divds.	56,875	56,875
Com. divds.	54,495	37,402
Deficit for year	65,201	78,309

†Method of determining deprec. changed to diminishing-bal. basis for 1949 fiscal yr. under new inc. tax regulations. Under co's former deprec. practice, net profit would have been $154,096, after $342,561 depr. and $72,186 taxes.

Earnings per Share and Dividend Record:	1950	1949
Preferred	$1.42	$0.49
Paid	1.75	1.75
Common	d0.10	d0.41
Paid	0.50	0.37½

CONDENSED BALANCE SHEET

As at Mar. 31:	1950	▪1949
Cash & govt. bds.	$872,324	$614,947
Call loan	100,000	......
Accts. rec.	538,896	389,539
Inventories	539,010	652,431
Total curr. assets	2,050,230	1,656,967
Invests. in subs.	442,336	334,786
Misc. assets▴	8,992	49,350
Fixed assets	5,824,976	5,552,614
Goodwill	500,073	500,073
Total assets	8,826,657	8,094,290
Accts., tax., etc., pay.	1,205,780	1,018,981
Accr. bond int.	34,813	35,500
Bonds due	75,000	75,000
Total curr. liab.	1,315,593	1,129,481
Funded debt	2,700,000	2,775,000
Deprec. res.	2,154,368	1,581,921
Conting. res.	......	100,000
Capital stock	2,160,986	2,038,186
Capital surplus	46,410	35,400
Earned surplus	*449,100	414,302
▴Incl. ref. EPT	......	10,889

*Incl. $1,000 trans. from conting. res.
▪Revised bal. sheet. See † under Income Account.

	1950	1949
Working capital	734,637	527,486

CITY OF CALGARY, Alta. new issue of $1.3 million serial debentures has been sold by tender to a syndicate headed by Wood, Gundy & Co. and including the Royal Bank of Canada, Nesbitt, Thomson & Co. and Carlile & McCarthy, Ltd. Price was 100.838 or a cost to the city of about 3.15%.

The issue consists of $820,000 3%'s due July 1, 1951 to 1955, $240,000 3¼%'s due July 1, 1956 to 1965 and $240,000 3½%'s due July 1, 1966 to 1975. Proceeds will be used about $700,000 for local improvements undertaken in 1949 and some $600,000 for storm sewer works to be undertaken during the current year.

Debentures are expected to be available for delivery about July 3, 1950.

MATACHEWAN CONSOLIDATED MINES milled 60,064 tons in the first quarter of 1950 (59,746 same period 1949) and shows a net income from metals produced of $179,901 ($207,827). Development and operating costs totaled $181,848 ($194,617), resulting in a net operating loss of $1,947 (profit of $13,210). Adding other revenue, estimated net profit before depreciation and write-offs amounted to $14,732 ($13,279). The new bottom level (2,280-ft.) was made ready for lateral work.

DUN & BRADSTREET of CANADA, Limited
The Mercantile Agency
ESTABLISHED 1841
20 Offices in the Dominion

RED DEER BRAND

BIRCH and HARD MAPLE FLOORING

"This name has long been associated with High Grade Hardwood Flooring and Northern Hardwoods: Spruce and Hemlock."

The MUSKOKA WOOD Products, Limited
HUNTSVILLE • ONTARIO

MR. EXECUTIVE in TORONTO

RENT A U DRIVE

ALL CARS INSURED

CALL WA. 1111
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DOMINION U DRIVE

Where does the wood go?

Lumber takes 32 percent; logs for export 5 percent; firewood 22 percent; fire, insects, and disease 22½ percent. This industry takes 18½ percent. Using less than a fifth of the consumption, pulp and paper is Canada's greatest industrial employer, wage-payer, exporter, and producer.

PULP & PAPER INDUSTRY of CANADA
120 MILLS, SMALL AND LARGE, FROM COAST TO COAST

THE WEEK'S QUOTATIONS

Quotations here listed are the official stock exchange prices for listed stocks including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

Montreal and Toronto Winnipeg, Calgary and Vancouver

WEEK ENDING JUNE 16

Range 1950 High	Low	Div R'te $	Jun 16 Y'ld %	Company	Sales	Last June 9	Week end. June 16 H	L	Cl'se
33¾	21¼	2.00	6.2	Abitibi	7932	32¼	32¼	31¼	32¼
24¾	22	1.50	6.1	Do. $1.50 p.	14380	24¼	24¾	24¾	24¼
25¼	22¼	1.00+†.70		Acadia At. A.	840	25	25	24	24¼
105¼	100¼	5.00	4.8	Do. 5% pref.	55	105	105	104¼	105
9¼	8¼	.60	7.1	Agnew Surp.	545	8¼	9¼	9	9¼
19	13¾	.60		Algoma Steel	12310	17¾	19	17¾	18¾
27¼	26	1.00	3.8	Alum. of Can. p	785	26¼	26¾	26¼	26¼
70	52¾	2.40	3.5	Aluminum n.	1835	70	69¾	68¼	69
9	5	▲.40		Andian Nat.	100	6¾	7¼	7¼	7¼
47¼	45¼	2.25	4.8	Ang. Can. Tel p	10	46¼	46¾	46¼	46¾
20	14¼	1.00	5.5	Ang. Nfld.	11520	19¼	19¼	18¼	18¼
9	7	.60	7.1	Argus	11645	7¾	9	7¾	8¼
84	73	4.50	6.0	Do. 4½% p.	5	75	75	75	75
[illegible]									
31¼	24¼	2.00	6.5	Fraser Cos.	3082	30¾	31	30¼	31
101	98	4.75	4.7	Do Pref.	40	101	101	100	101
10	9	.50+†.25		Freiman	5	10	10	10	10
99	91¼	4.00	4.2	Gair of Can. pf	5	95	95	95	95
19¼	17¼	1.20	6.4	Gatineau Pwr.	1825	19¼	19¼	18¼	18¼
110	104¾	5.00	4.7	Do pfd.	100	107	108	107	107¼
111	110	5.50	5.0	Do 5½%	110	110	111	111	111
3.00	2.25			Gen. Bakeries.	500	2.65	2.80	2.80	2.80
35	29¼	1.00	3.1	Gen. Prod. A	400	33¼	33¼	32¼	32¼
20	17¼	1.00	5.3	Gen. St. Wares	455	18¾	19	18	19
106	100	5.00	4.8	Do Pfd.	20	105	104¼	104¼	104¼
95	84¼	†2.00		Goodyear Tires	25	90	90	90	90
53¼	52	2.00	3.8	Do Pfd.	166	52¼	53	52¼	52¾
10¾	9¼	.50	5.0	Gord. M'cKay a	640	10¼	10	9¾	10

Range 1950 High	Low	Div R'te $	Jun 16 Y'ld %	Company	Sales	Last June 9	Week end. June 16 H	L	Cl'se
22	14¼	†.80		Gt. Lakes Pap.	5210	20¼	20¾	19¾	20¼
46¾	40	2.50	5.4	Do A pfd.	590	46¼	46¼	46	46
26	20	■1.25		Gt. West Coal.	225	24	24	23	23
460	440	20.00	4.4	Gt. West Life	2	455	460	460	460
12¾	9¾			Gt. W. Saddl.	100	9¾	9¾	9¾	9¾
13¼	13	.50	3.8	Guar. Trust	25	13	13¼	13¼	13¼
21	17¼	1.40	6.8	Gypsum Lime.	2195	20¼	20¾	20	20¼
25	14	†.30+4.20		Hahn Brass	135	15	15	15	15
15¾	11¼	.50+12¼		Ham. Bridge	455	12¼	13	12¼	12¾
16	13¼	1.00	6.3	Ham. Cot.	125	15	16	16	16
11	9¼	.80+■.10		Harding Carpet	635	9¼	9¼	9¼	9¼
10¼	9¼	.50	5.0	Hartz, J.F.A.	10	9¼	10	10	10
41	27	■1.00		Hayes Steel	600	32¼	33	32¼	33
[illegible]									
19	16¼	1.00	5.9	Wilsils	55	17	17	16¼	17
42¼	33¼	†.75		Winnipeg Elec.	3334	37¼	37¼	36¼	37
101	98¼	5.00	5.0	Do. Pref.	125	99¼	100	99¼	100
30	25	†.50		Woods Mfg.	620	27¾	25¾	25¾	25¼
15¼	13	1.60	11.0	Wool Combing.	50	14	14¼	14¼	14¼
6¼	5	.40	7.3	York Knit. A	25	5¼	5¾	5¼	5¼
2.50	1.00			Do. "B"	100	1.85	1.85	1.85	1.85
17	13	†.12½		Zellers	2070	15¾	17	15¾	17

*On arrears ▲N Y funds ▲▲Participating div
*Net after income taxes •Dividend deferred
♦After stock split ■Paid in 1949
♦Plus extras ‡Plus payments on arrears
†Paid or payable in 1950 §For each 20 shares held

Mining Stocks

Week Ended June 16

Range 1950 High	Low	Div. Rate $	June 16 Yield %	Company	Sales	Last June 9	Week Ending June 16 High	Low	Close
.55	.35	.....	....	Acadia Uran.	1,575	.45	.42	.37	.42
1.75	.72	.....	....	Akaitcho	11,450	1.32	1.45	1.28	1.45
.12	.04	.....	....	Do. Rts.	111,800	.09	.09	.04	.04½
.49	.15½	.....	....	Amal. Lard	18,750	.27	.33	.24	.30
.65	.50	.....	....	Amer. Neph.	4,500	.60	.61	.57	.57
.14½	.07	.....	....	Amer. Y.K.	8,500	.12	.12	.10½	.10½
4.45	.43	.....	....	Anacon L.	1,452,275	3.20	4.45	3.25	4.40
[illegible]									
.07	.03	.....	....	New Bidl'e.	5,000	.05	.05	.05	.05
1.70	.95	†.06	....	N. Calumet	42,950	1.56	1.65	1.50	1.55
1.22	.66	.....	....	N. Dick'n.	22,564	1.10	1.10	.98	1.02
.50	.31	.....	....	N. G'dvue.	80,050	.46	.50	.40	.45
.51	.34	.....	....	N. Jason	9,748	.50	.45	.40	.45
3.70	.43	.....	....	Newlund	140,355	3.25	3.35	3.00	3.15
.11	.05½	.....	....	N. Marion	4,500	.09	.09½	.07½	.08½
.38	.22	.....	....	N. Norse'n	182,050	.25	.27	.22	.24
.07	.03	.....	....	Newnorth	9,000	.06	.06½	.05	.06

[illegible]

Oil Stocks

[illegible]

.40	.15	§.01½	....	Sunset	50,850	.35	.40	.37	.40
1.20	.40	.....	....	Superior	240,001	.95	1.02	.90	.95
.80	.40	*♦1.85	....	Texas Can.	500	.40	.80	.80	.80
.50	.24	.....	....	Tower Pet.	119,600	.43	.47	.41	.44
.28	.10	.....	....	Turner V.	2,300	.25	.28	.23	.28
.58	.18	.....	....	United Oils	167,030	.49	.58	.46	.55
.55	.20½	.....	....	Vanalta	112,825	.49	.55	.46	.55
.48	.21	.....	....	Vulcan	80,002	.35	.48	.37	.42
.05	.02	.....	....	Warner	16,100	.04½	.05	.04½	.04½
.29	.07	.....	....	York Oils	42,720	.22	.29	.18	.29

* N. Y. Funds. a Extra. * Paid or payable in 1949.
§ Paid in 1948. ‡ Capital Distribution. † Payable in 1950.

Volume of Stock Sales

	Montreal	Toronto	Calgary	Vancouver	New York
June 19	1,387,600	3,920,000	746,303	392,890	1,590,000
June 17	....	....	......	......	....
June 16	1,237,100	3,066,000	687,954	378,278	1,460,000
June 15	1,155,400	3,811,000	572,697	385,186	1,840,000
June 14	898,300	3,196,000	583,596	343,635	1,920,000
June 13	807,800	3,210,000	627,181	397,924	2,120,000

BUSINESS BAROMETERS

	JUNE	MAY	APR.	MAR	Year Ago
GOVERNMENT FINANCE (millions of $)					
Dom. total expend.	....	....	88.0	....	75.0
Dom. total revenue	....	....	166.1	....	181.6
MERCHANDISING					
■Dept. store sales (3)	....	+6	—10.1	—2.6	....
Country store sales (3)	....	....	....	—2.8	....
Retail store sales (3)	....	....	....	+5.9	....
■Wholesale sales index (1)	....	....	278.9	293.6	291.7
FINANCE					
■Dividend payment index (1) (5)	212.0	209.7	210.3	212.1	213.1
■Money supply (millions $)	....	....	4,483	4,446	4,252
NEWSPRINT CAPACITY					
■Production ratio (7)	....	100.4	100.1	98.6	103.0
RAILWAY FREIGHT LOADINGS					
■Tons (D.B.S.) (1)	....	218.4	196.9	220.3	210.4
■Cars (D.B.S.) (1)	....	167.5	148.8	163.7	154.9
COST OF LIVING					
D.B.S. (1)	....	164.0	164.0	163.7	159.5
EMPLOYMENT INDEX					
All industries (6)	....	....	187.6	186.6	187.8
Payrolls (June 1941=100) (2)	....	....	213.9	212.1	206.5
MANUFACTURING					
Inventories (1947=100)	....	....	....	126.8	133.7
Employment (6)	....	....	200.2	199.7	203.0

	1950	1949	1950 Jan. 1 to date	1949 Jan. 1 to date	% Change
RAILWAYS—(000's omitted)					
■Carloadings (week June 10)	80.0	72.8	1,632.4	1,663.8	—1.9
C.N.R. gross rev. (Apr.)	43,978	40,355	160,649	156,001	+2.9
C.N.R. net rev. (Apr.)	4,456	1,607	3,604	—533	....
C.P.R. gross rev. (Apr.)	29,783	30,137	112,961	115,695	—3.3
C.P.R. net rev. (Apr.)	1,940	1,305	3,303	1,623	+103.5
IRON AND STEEL PRODUCTION (000's omitted) (April)					
Pig iron production (tons)	185	181	708	739	—4.2
Steel production (tons)	279	270	1,122	1,112	—0.9
CONSTRUCTION (000's omitted)					
■Contracts awarded (May)	111,965	105,953	421,432	386,450	+9.0
Cement prod., bbls. (Mar.)	1,303	1,340	3,665	3,565	+2.8
AGRICULTURE (000's omitted)					
Flour exp., bbls. (Apr.)	732	871	3,212	3,230	—0.6
Wheat exp., bush. (Apr.)	9,334	16,382	38,097	52,032	—26.8
Cattle sales (May) (4)	108.1	102.0	597.1	562.5	+6.1
Hog sales (May)	412.2	316.4	2,098.6	1,713.9	+22.4
SEA FISHERIES (000,000's omitted)					
Catch, lb. (Apr.)	30.8	32.7	252.4	224.1	+13.0
Landed value (Apr.)	2.1	2.1	7.8	7.1	+10.0
NEWSPRINT (000's omitted)					
■Production (May) (7)	460	443	2,151	2,169	—0.8
■Exports, tons (May) (7)	480	459	2,112	2,103	+0.4
MINING AND OILS (000's omitted)					
■Coal prod. (tons) May	1,423	1,342	8,202	7,800	+5.1
Gold prod. (fine oz.) (Mar.)	383	343	1,088	960	+13.0
■Petroleum prod. (bbl.) (Mar.)	2,158	1,748	6,339	4,548	+39.4
ELECTRICAL POWER OUTPUT (000,000 omitted) (April)					
Total monthly kw.h.	4,062	4,150	16,082	15,173	+5.9
FOREIGN TRADE (millions of $)					
Imports (Mar.)	237.4	235.9	649.5	665.7	—2.6
Exports (Apr.)	205.5	237.8	854.4	896.6	—4.7
FINANCE (millions of $)					
Bank debits (Apr.) (8)	7,443	7,267	28,480	27,039	+5.3
■Bond sales (May)	945.0	229.5	3,091.3	1,674.9	+84.5
Life insurance sales (Apr.)	107.1	102.9	419.3	413.4	+1.4
OTHER INDUSTRIAL FACTORS					
■Shoe pro. (Mar.)	3,222	3,492	8,573	8,984	—4.6
Cigarette cons. (000,000) (Mar.)	1,364	1,342	5,858	5,188	+12.9

■(1) Base period 1935-39=100.
(2) All industries.
(3) % change from year ago, latest week or monthly average.
(4) Total at yards and plants.
(5) Nesbitt Thomson.
(6) Base period 1926=100.
(7) Includes Newfoundland.
(8) Includes debits in St. John's Nfld., since April only.

Stocks Not Traded This Week (Continued)

	Div. Rate $	Last sale	June 16 Bid	Ask
Can. Int. I. Tr. pf.	†.12½	95	94	100
Can. Oil 8% pref.	8.00	150	150	152
Can. Silk	1.50	34¾	..	..
Can. Wallpaper A	■1.00	14	..	..
Cassidy's	.80+†.25	14	13¼	15
Cent. Can. L'n	8.00	205	202	..
Cent. Nor. Air. A	■.25	5.00	..	6.25
Do. B	..	2.00	..	2.50
Chart. Trust	1.00	33	31	[illegible]
[illegible]				
Moore Corp. pf. A	▲7.00	[illegible]	[illegible]	..
Do. pref. B	▲7.00	450	468	..
H. Morgan 4¾% pf.	4.75	102	103	..
Morrison Brass	..	3	3	3¼
Murphy Paint	.80	23	23¼	..
Nat. Hosiery A	.60	21¼	21¼	..
N. Sew. Pipe A	2.40	46	43	47
Neon Pr. of W. C.	.80	15¼	..	..
Nor. Can. Mtge.	†.50	19¼	19	..
Nor. Trusts	.80	34	..	49
N. S. L. & Pr. pf.	6.00	114¼	111¼	..
Nuclear Ent.	†5.00	8	7	..
Ont. Beauty Sup.	..	.60	.35	.70
Do. pref.	1.00	8	6	8¼
Ont. Steel pref.	7.00	135	129	..
Pacific Coyle	■.30	46	..	..
Paton Mfg.	.80	10	..	..
Do. pref.	1.40	26	25¾	27
Paul, S. S.	†.50	14	13¼	14
People's Cr. Sec.	.25	6	5¼	7¼
Photo Eng.	†.75+†.50	27	27	29
Pwr. Corp. 2nd pf.	3.00	57	56	57½
Premier Trust	2.00	53	53	55
Price Bros. pref.	4.00	100	98¼	101
Quinte Milk B	†.10	3.15	3.15	..
R. & M. Bear. A	1.10	21	..	21
Regent Knit.	.50	22¼	22¼	..
Reliance Grain	†8.50	15	..	..
Renold-Cov. A	1.10+.20▲▲	18	17¾	20
Rivers Mill. B	■1.00	13¼	5	12
Roberts'n P.L.	2.00+†.50	57	56	60
Do. pref.	2.50	44¼	52¼	..
Robinson Cot.	.40+■.10	9¼	9	10
Royal Oak D. A	.60	10¼	10¼	..
Russell Ind. pref.	7.00	605	..	..
St. Law. Flour	†.65	16	15	18
Do. pref.	7.00	142	..	140
Sangamo	.70	11¾	11¾	..
Scarfe & Co. A	.80	14	14	14
Scythes & Co.	1.00+■.80	16	15	16

	Div. Rate $	Last sale	June 16 Bid	Ask
Do. pref.	1.25	26	24¾	..
Shirriff's pref.	1.00	20	20¼	21
Sidney Roofing	.90	15¾	..	..
Silknit	1.00+†.40	20	19	20
Do. pref.	2.00	34	33¼	35
Simon & Sons	1.20	17¼	..	18
Do. pref.	5.00	99¾	..	99¾
Slater, N. pref.	2.12	50	49¼	..
Sov. Life 20% p.	7%	52	53	75
[illegible]				

Mining Stocks

[illegible]				
Steeloy	...	.07	.07¼	.09
Sudbury Contact	...	.04½	.04¼	.06
Utica	...	.05¼	..	.05¼
Yukon Cons.	.06	.58	.52	.65

—OIL STOCKS—

Lowery	...	.75	.75	..
Nordon	...	.10	.12	.14
Oil Selections	...	.05¼	.04¾	.05¼
Three Point	...	.06	.07½	..
Vul. Brown	...	.25	..	..

▲Paid or payable in 1949. ‡Paid in 1948. *N. Y. funds. †Payable in 1950. ♦Capital distribution.

Company Meetings

Date	Company	Place
June 22	Pac. East. Gold	Montreal
June 23	E. Kootenay Power	Montreal
June 23	Mosher Long Lac	Toronto
June 24	Kirk. Townsite	Toronto
June 24	Mersey Paper	Brooklyn, N.S.
June 26	Maget Cons. Mines	Toronto
June 27	Brazilian Traction	Toronto
June 27	Dom. Dairies Ltd.	Montreal
June 27	Pend Oreille M	Spokane, Wash.
June 28	Chateau Gai	Niagara Falls
June 28	Dom. Textile	Montreal
June 28	Nipissing M.	Toronto
June 29	Int. Power Co.	Montreal
June 29	Union Gas Co.	Chatham
June 30	Alberta Pac. Cons. Oil	Calgary
June 30	Cons. Press	Toronto
July 7	Hudson Bay Co.	London, Eng.

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$27.50	$26.57	$21.88
Hogs	30.85	30.42	33.60
Copper, lb.	.22½	.22½	.17
Sugar, raw, lb.	.0525	.0525	.0535
Coffee, lb.	.47	.46	.27½
Hides	.25½	.25½	.25½
Weekly Indices			
U. S. Labor	156.7	157.4	154.9
Dow Jones	144.42	149.94	123.98
Fisher's	166.8	165.9	164.4
Monthly Indices			
Retail (May)†	164.0	164.0	159.3
W'sale (Apr.)	160.1	159.3	157.5
U. S. (Mar.)	152.6	152.7	158.4
Gt. Brit. (Mar.)	245.5	255.1	220.5

Note: The base of indices is that 1926 equals 100. †Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base price of quotations is as follows: Cattle — Steers, good, up to 1,000 lb., top price Toronto. Copper-electrolytic, New York. Coffee, No. 4 Santos. Rio Sugar 96 degrees centrifugal c/f New York.

STOCKS NOT TRADED THIS WEEK

	Div. Rate $	Last sale	June 16 Bid	Ask
Acme Glove	■.50	9¾	9	11
Amal. Electric	..	6¼	6¼	..
Assoc. T. & T. A	..	62	..	..
Do. pref.	▲6.00	138¼	..	..
Ault & Wiborg pf.	5.50	103¼	103	105
Auto Fabric A	.60+■.20	7	7	7¼
Barber-Ellis	..	40	..	..
Barcelona	..	1.50	..	..
Beaver Lumb.	1.00+†.50	31¾	31	..
Do. A	1.00	19¼	19	19¼
Belding Cort.	6.00+†1.00	167	165	..
Do. pref.	7.00	165	165	..
Belgium Glove pf.	1.00	16¼	..	16¼
Blue Ribbon pref.	2.50	53¼	53	..
Blue Top Br. B	■14.00	20	21	..
Bowes Co. A	.50	9¾	10	10¼
Do. B	2.00+†2.00	40	40	..
Brand. Hender.	..	8¾	..	..
Brand & Millen	..	65	..	..
Brant. Roof.	1.00+†.25	21	22	30
Brazilian Tr. pf.	6.00	125	126	..
Bright, T. G.	1.00	21	15	19¼
Caldwell L'n	.80+†.20	16¼	12	14¼
Can. Cr. Stone	†.40+.20	13	16¼	..
Can. Floor.	.60	12	..	12
Can. Foils	.20	6	6	7
Can. Forg. B	■1.50	45¼	..	75
Can. Iron pref.	.60	13¾	15	..
Can. Life Ass.	20.00	550	..	..
Can. Machine	.50	6	6¼	6¼
Can. Safeway pf.	4.30	100	100	..
C. Varnish 5% pf.	1.25	20	20	23
Can. Wire Cable A	4.00	90	88¼	90
Can. Bronze pref.	5.00	103¼	103¼	..
Can. Colliers	†.15	2.40	..	..
Can. Convert. A	.75	7¼	7¼	8
Do. B	..	6	6¼	..
Can. Fairb. pf.	6.00	131	..	..
Can. Fire	.80	21	21	..
Can. G. Sec. A	†3.00	50	40¼	..
Do. B	†3.00	20	40¼	..
Can. Ice Mach.	..	5.00	4.00	5.00

Government Bonds

June 20, 1950 (Supplied by Investment Dealers' Assoc. of Canada)

%	Due	Bid	Ask
Victory Loans:			
3	Mar. 1954	102¾	103
3	Nov. 1956	103	103¼
3	May 1957	102⅝	102⅞
3	Jan. 1959	102⅝	103⅛
3	June 1960	102⅝	103⅛
3	Feb. 1962	102¼	102¾
1½	Nov. 1950	99⅞	100⅛
3	Oct. 1963	102¼	102¾
3	Sept. 1966	102¼	102¾
Dom. of Can. Bonds:			
3	June 1958	102¼	102¾
3¼	Feb. 1952	102¼	102½
3¼	June 1966	103⅞	104⅜
3	Perpetual	†102	102⅞
2¾	June 1968	99¾	100¼
Dom. Guaranteed Bonds — Can. Nat. Railways:			
3	Jan. 1959	101½	102½
4½	Feb. 1956	▪122¼	123¾
4½	July 1957	♦124¼	126
5	Feb. 1954	108½	109½
4½	June 1955	▪122¼	123¾
2¾	Jan. 1967	99¼	100
2¾	Sept. 1969	99⅝	100⅜
3	Jan. 1966	101⅞	102⅜
Can. Nat. W. Ind. S.S.:			
5	Mar. 1955	▪122¼	124
Grand Trunk Pacific Rly.:			
3	Jan. 1962	▪114	116
4	Jan. 1962	▪124¼	126¼

%	Due	Bid	Ask
Provincial Govt. Bonds			
Alberta:			
2¾	Dec. 1953/57	100⅝	101⅜
British Columbia:			
4½	Jan. 1969	♦134¾	136¾
5	Sept. 1953	106¼	107⅛
3	Dec. 1960	99⅞	100⅞
3	June 1964	98⅞	100¼
5	Sept. 1959	♦128¼	130¾
B. C. Power Comm.:			
3	Oct. 1967	98⅞	99⅞
Manitoba:			
4	Dec. 1957	♦119¼	121½
4½	Dec. 1956	♦122¼	124¼
5	Dec. 1959	▪128¼	130¼
3½	July 1958	117	118½
3	Oct. 1965	99¼	101
New Brunswick:			
4½	Apr. 1961	♦122⅞	124⅞
2¾	June 1966	89¼	91¼
3½	May 1957	98½	100¼
3½	Sept. 1965	98	100
Nova Scotia:			
3½	June 1956	101¼	102⅜
4½	Nov. 1960	♦126¼	128¼
5	Mar. 1960	♦129⅞	131⅞
3	June 1956/58	99⅞	101¼
2¾	Sept. 1966	95½	97½
3½	June 1963/65	101½	102⅜

%	Due	Bid	Ask
Ontario:			
2¾	Nov. 1965/69	96¼	98¼
3½	May 1952/55	101¼	102¼
4	June 1962	▪124¼	126¼
4½	Jan. 1962	♦129⅞	131⅞
2¾	July 1967/77	95	97
3	Nov. 1963/65	100¼	101¾
5	May 1959	▪131	133
Ont. Hydro Commission:			
4	Aug. 1957	▪119¼	121¼
2¾	Oct. 1965/68	96¼	97¼
3	Dec. 1963/65	100¼	101¼
3	Nov. 1967/69	99¼	100¼
Prince Edward Island:			
3½	Dec. 1961	101¼	102¼
Quebec:			
3½	Mar 1954/59	102⅞	103⅞
3¼	Feb. 1952/55	102¼	103¼
4½	Aug. 1958	108¼	109¼
4½	Jan. 1963	113½	115½
4	Nov. 1950/52	100⅛	101⅛
3	Sept. 1962/64	100	101¼
Quebec Hydro Commission:			
3	Feb. 1969/73	99¼	100⅜
3	Dec. 1958/60	100⅜	101⅜
Saskatchewan:			
4	Nov. 1955/60	101⅛	102⅜
5	Aug. 1958	108¼	110¼
4½	Mar. 1960	♦120⅜	122⅜
5½	Oct. 1952	104⅜	105⅜
6	Mar. 1952	104¼	105¾
5	Dec. 1959	♦125	127
3	Mar. 1963	94¾	96¾
3¼	Nov. 1960/62	95¾	97¾
3¼	Oct. 1962/65	101	102¼

†Callable on or after Sept. 15, 1966. ♦Payable Can. or N. Y.
▪Payable Can., N. Y. or £.

Significant Investors' Index Numbers

No. of Securities	Mach. and equip. 10	Pulp and paper 10	Milling 4	Oils 5	Textiles and clothing 10	Food and allied prod. 15	Beverages 10	Bldg. mater. 16	Power and traction 12	Banks 8	Total utilities 16	Total co's 196
*1935 to date:												
High	247.7	287.9	149.7	123.7	221.9	138.5	447.0	168.5	146.2	136.3	149.0	126.1
Low	69.7	51.6	61.2	41.2	78.4	79.5	79.3	66.7	60.2	60.0	65.2	61.1
1950: Monthly Figures:												
Jan.	231.5	286.1	90.7	82.8	235.0	123.7	351.0	169.1	114.7	143.0	124.3	119.0
Feb.	229.9	291.7	86.1	80.5	236.9	123.2	355.8	169.7	116.5	143.0	125.2	118.3
Mar.	241.5	304.9	83.3	80.3	245.7	119.1	371.7	168.9	121.9	142.9	126.8	118.7
Apr.	250.4	326.2	85.8	93.3	247.4	120.6	394.5	174.8	127.2	144.4	132.2	125.9
1950: Weekly Figures:												
May 4	270.3	344.2	85.9	93.8	258.6	121.4	385.8	176.5	126.6	147.6	131.8	128.0
May 11	272.4	347.4	84.0	95.6	264.4	123.3	382.2	178.4	125.6	145.5	131.3	128.7
May 18	268.3	356.6	85.9	95.9	267.6	123.0	387.2	175.6	124.7	144.8	130.8	129.2
May 25	269.4	360.8	90.1	94.3	263.6	121.4	378.8	177.5	124.6	146.5	130.9	128.8
June 1	272.3	365.2	86.6	95.6	285.2	122.9	380.3	179.0	125.3	147.2	132.5	130.7
June 8	280.2	364.6	86.5	96.2	262.4	122.5	381.3	180.3	130.1	150.7	134.6	131.6
June 15	288.5	367.7	85.1	98.5	263.1	124.6	393.5	181.9	131.2	150.4	139.0	133.7

*High and low for year from 1935 to date inclusive are based on weekly figures issued by the Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indust.	20 Golds	15 B.M.	15 W.O.
June 19	246.24	93.92	123.60	88.58
June 17	.....	.....	.....	.....
June 16	245.71	93.36	123.12	88.23
June 15	243.93	93.76	123.04	88.88
June 14	243.27	94.29	123.05	86.77
June 13	242.17	95.08	122.56	86.30
Month ago	[illegible]	98.24	119.90	71.45
Year ago	159.67	90.82	81.19	40.71
1950 High	246.28	105.15	123.64	90.32
1950 Low	203.27	92.79	104.35	58.45

Montreal Stock Exchange Averages

	10 Util.	20 Ind.	30 Com.	10 Pprs.	15 Golds
June 19	85.2	159.3	134.6	503.72	62.28
June 17	....	....	....	....	....
June 16	85.8	158.3	134.1	503.99	62.36
June 15	86.1	157.7	133.8	500.63	62.43
June 14	86.4	157.4	133.7	497.84	62.75
June 13	85.7	157.9	133.8	500.96	63.10
Month ago	82.3	153.7	129.9	486.22	64.15
Year ago	70.1	111.2	97.5	256.00	60.90
1950 High	86.4	159.3	134.6	503.99	68.87
1950 Low	74.5	138.1	117.2	365.89	62.28

Dow-Jones Closing Stock Averages

	30 Indust.	20 Rails	15 Util.	65 Stocks
June 19	222.09	55.53	43.35	77.87
June 17	.....	.....	.....	.....
June 16	222.71	55.95	43.35	[illegible]
June 15	222.44	56.15	43.36	78.16
June 14	223.32	56.34	43.46	78.43
June 13	226.44	56.87	43.63	79.29
Month ago	218.04	55.53	43.48	77.10
Year ago	175.76	48.10	36.14	63.57
1950 High	228.38	56.96	44.26	79.71
1950 Low	196.81	52.88	40.79	71.28

Unlisted Stocks

(Compiled from quotations by Kippen & Co., Montreal, and Intercity Securities Ltd., Toronto)

June 19, 1950

	Bid	Ask		Bid	Ask
Allens Toronto units	42.00	....	Lambton Loan & Inv. $50 p.	85.00	....
Anglo Can. Telephone A	10.75	11.25	Manufacturers Life Ins.	352.00	....
Ash Temple Co.	4.50	5.50	Medical Arts Bldg.	35.00	40.00
Ashdown Hardware B	14.75	15.50	Mon. Life Assoc. 40% paid	138.00	145.00
Beauharnois L. H. & Pwr.	22.00	23.00	Mountainview Apts. pfd.	28.00	....
Beauharnois Power	9.50	11.00	Niag. Lower Arch Bridge	57.00	61.00
Brand & Millen	.40	.55	Northern Tel. com.	1.30	1.95
British Mtge. & Trust	195.00	....	Oakville Golf Club	25.00	....
B. C. Sugar	91.00	93.00	Ontario Jockey Club	1,450.00	....
Canada Life Assur.	555.00	....	Peller Brewing com.	1.00	1.50
Candn. General Invest.	21.00	....	Do. pfd.	11.00	12.75
Can. Invest. Fund	5.40	5.85	Reliance Petroleum pfd.	42.00	45.00
Candn. Motor Lamp	12.75	....	Ritchie Cut Stone pfd.	8.50	....
Can. West Nat. Gas. Co.	60.00	....	Rosedale Golf	140.00	....
Do. pfd.	19.25	20.75	Sawyer Massey com.	.75	....
Capital Wire Cloth com.	14.25	....	Seiberling Rubber com.	6.00	....
Carlton Club	27.50	....	Sincennes McNaught. Tugs	2.00	3.00
Chase A. W. units	53.00	....	Sovereign Life 25% pd.	54.00	65.00
Colonial Steamships com.	125.00	135.00	Standard Fuel pfd. 4½%	37.00	40.00
Commercial Finance com.	20.00	....	Do. com.	3.00	5.00
Commercial Life 20% paid	45.00	....	Sun Life Assce.	780.00	820.00
Corporate Investors	9.65	10.38	Third Can. Gen. Inv.	4.10	4.45
Detroit Intl. Bridge	16.75	18.00	Toronto Gen. Ins.	6.00	8.00
Dover Industries Ltd.	9.50	10.25	United Co-ops Ontario pfd.	2.00	....
Dunlop Tire pfd.	25.00	26.00	United Farmers Co-op.	2.00	....
Empire Life Ins. 25% paid	17.00	19.00	United Steel A pfd.	24.00	25.50
Galt Brass com.	32.00	....	Victoria Trust & Savings	149.00	....
Goderich Elev. & Trans.	14.50	15.75	Waterloo Manuf. com.	6.00	6.75
Great West Life	462.00	....	Waterloo Trust & Savings	124.00	128.00
Huskey Oil & Ref.	4.50	5.25	Western Assurance com.	75.00	....
Imperial Life	375.00	....	Western Grain com.	1.50	2.25
Kop Beverages	.55	.65	Do. pfd.	48.00	....
Lambton Golf	....	160.00	York Trading com.	12.00	....

Corporation Bonds

(Supplied by Investments Dealers' Association of Canada)

June 20, 1950

Public Utility Issues:	Int. Rate %	Due	Bid	Ask.	Prev. Week Bid
▴Alg. Cen. H.B.R.	5	'59	84	87	84
Bell Telephone	3	'77	98½	101	98½
B. C. Electric	3½	'67	96½	99	96½
Do.	3¾	'69	101	103½	101
Calgary Pwr.	3½	'72	98½	...	98½
East Kootenay	3¾	'67	93½	...	93½
‡Gatineau Pwr. D	3½	'70	101	103½	101
Gt. Lakes Pwr.	4½	'69	99	101½	99
*Int. Hydro-El.	6	'44	66	69	65½
Int. Prov. Pipe Line	4	'70	280	290	290
L. St. Law. Pwr.	3½	'65	97½	100	97½
Maclaren-Quebec Power	3	'69	97	...	97
Mtl. Trams. B	5	'55	99½	102	99½
Nat. Lt. & Pwr.	4½	'61	100	...	100
North. Que. Pr.	4½	'67	99½	...	99½
Quebec Power	3	'62	98½	101	98½
St. Maurice Pr.	3½	'70	100	103	99½
Shaw. W. & Pr.	3	'61	99½	...	99½
Do.	3	'71	98	100½	98
Do.	3½	'73	102	104½	102
Union Gas	4½	'50	100	...	100
Un. Fuel Invest.	4	'59	102	...	102
United Secs.	3	'52	99½	...	99½
Wpg. Electric	3¾	'71	102	104½	102
Industrial Issues:					
Abitibi Pr. P.	3½	'67	101½	104	101½
Acadia-Atlantic Sugar	3¾	'65	102	...	102
Aluminum Co.	3½	'74	102	...	102
Bathurst P. & P.	3¾	'68	100	...	100
B. C. For. Prod.	4	'66	94	97	94
B. C. Pulp & P.	3½	'67	97	100	97
Bowater's Nfld. P. & P.	3½	'68	97½	100½	97½
Brompton Pulp & Paper	3½	'66	94½	...	94½
†Brown Co.	5	'59	107½	110½	106½
▴Burns & Co.	4	'63	99½	102	99½
Can. Steamship	3½	'57	99½	...	99½
Do.	4	'66	99	102	99
Can. Bread	4½	'67	100	...	100
Can. Brew.	3½	'67	95	98	95
Can. Celanese	3	'62	98½	101½	98½
Can. Oil	3½	'62	99	102	99
Can. West. Lum.	4	'62	101	103½	101
C.P.R.	3½	'51	100½	...	100½
Do.	4	Perp.	120	...	120
Cockshutt Plow Co.	4½	'65	102	104½	102
Columbia Cell.	5	'68	102	105	101½
Consol. Paper	3½	'67	101½	104	101½
Dom. Coal	4½	'52	100½	...	100½
Dom. Tar & Ch.	3½	'57	102	...	102
Dom. Textile	3½	'59	102	...	102
Dom. Woollens	5	'64	95	98	95
Dryden Paper	4	'61	99½	102	99½
E. B. Eddy	3½	'66	100	102½	100
Do.	4	'66	102	...	102
English Elec.	4	'67	95½	...	95½
Federal Grain	4	'64	100	103	99½
Gt. Lakes Pap.	3½	'67	100½	...	100½
Imp. Tobacco	2¾	'66	97	...	97
Indust. Accept.	4	'69	99½	102	99½
Lake St. J. P.	5	'61	101½	...	101½
Laurentian Silk	4½	'67	99½	...	99½
MacMillan (H.R.) Ex.	4	'65	101½	...	101½
Maple L. M.	3¾	'63	97	100	97
Massey-Harris	3	'66	97	...	97
Do.	4¾	'63	102	105	102
McColl-Front.	4	'71	97	...	96½
Mercury Mills	4	'63	98½	...	98½
Mon. Knitting	4	'66	97	100	97
N. S. Steel Coal	3½	'63	99	100	98½
Penman's	3½	'66	100	...	100
Price Bros.	3½	'66	101	103½	101
Silv. Dairies	4	'60-64	99½	102½	99½
Do.	4	'71	95	98	95
Simpsons Ltd.	3½	'60	101½	104	101½
Steel Co. of Can.	2¾	'67	96½	99½	96½
Tor. Elevators	3½	'66	99	...	99
Traders Fin.	4	'65	117	120	114
United Corp.	4	'58	100½	...	100½
United Steel	4	'60	99½	...	99½
Un. Grain Gr.	4	'63	100	...	100
†Western Grain	5	'63	89	...	89
York Knit. Mills	3½	'71	90½	...	90½

*Payable in Canada or United States.
‡Payable in Canada only.
▴Payable in Canada or U. K.
†Payable in Canada, U. S. or U. K.

Unlisted Mines, Oils

Approximate quotations, 3 p.m., June 17, subject to confirmation and change. An asterisk (*) indicates an increase in price, a dagger (†) a decrease in price.

	Bid	Ask		Bid	Ask
Abenakis	2½	4	Mat Con	28	32
Advance	3½	4½	Mate Yel	19	21
Alexander	5	7	McCuaig	4	6
Ama Kir	5½	6½	McManus	5	6
Angus	*53	55	Metalore	*5	6
Anna'que	4½	5½	Miles RL	4	6
Arctic	*8	9	Mindus	†28	31
Argonaut	1½	2½	Mink	2	4
Ava	17	19	Mistassini	6	8
Barber N	2½	4	Mohawk P	1½	2½
Beacon	..	65	Murmac	*9½	11½
Beaulieu	3	5	Nat New	14	16
Beauriv	3½	5	Newcor	7	10
Bi Ore	*22	25	New Aug	7	9
Biroco	†13½	15½	New Mal	2½	4
Blondor	2	3	Nickel L	4½	6
B McDade	*9	11	N Offsets	100	120
Bour. C	4	6	Nisto	35	38
Bouzanne	6	8	NoAcme	115	125
Braminco	22	26	Norbeau	*125	135
Bright RL	2	3	Norbec	9	11
Burley Po	1½	2½	Norcourt	8	10
Camlaren	4	5	Norford	1½	2½
Camray	6	8	Normar	2½	3½
Captain	†10	12	Novele P	2	4
Cassidy	2½	3½	Obalski O	6	9
Cent Man	6½	8	Do. '45	27	29
Cock	2	3	Obaska	*28	30
Columbier	1½	3	Oklend	7½	8½
Con Chib	14	17	Olivet	2½	3½
Con Cop	†8½	9½	Opemiska	36	40
Craibbe	9	12	Orofino	†73	75
Croydon	2	4	Ortona	4½	5½
Cuyuni N	†25	30	Pascalis	†15	18
Delhi	25	28	Payne	7	10
Derlak	3	4	Pelangio	4	5
De Sant	3½	5	Phelps	2	4
Dick'son	†30	34	Presdor	1½	2½
Doris	*4½	5½	Privateer	14	17
Durham	6	8	Quejo	4½	6
East Lund	21	23	Que SR	..	52
Echo Ind	4	6	Quest	2½	3
El Bnanz	10½	13	Rand M	14	16
Elmac	6½	7½	Randona	3½	5
Erin Kirk	†2	3	Redruth	2½	4
Erndale	3	4	Redwood	4	5
Forty For	85	95	Rhyolite	†2½	4
Gan Cop	†7	9	Richgroup	7	9
Geneva L	2½	4	Russet	5	7
Glencona	*7	8	Salmita	8	10
Golpac	10	15	Santiago	7½	8½
Gov Gold	3	6	S Dufault	3½	5
Grd Chib	30	40	Sepha	3	5½
Greenlee	6½	7½	Sheldon	†14	16
Habitant	5	7	Silv Arro	5	7
Halden	3	5	Skynner	2	4
Harker	3½	5	Snow L	2	3
Hornfault	*16	18	Starlight	2	4
Hoodo	5	7	Sunbear	3½	5
Hu Pam	†20½	22	Tobico	3	4
Independ	10	12	Vinray	4½	6
Insco	8	10	Viking	25	26
Isle Pinn	15	18	Walcoro	*14	16
Jerome	†20	23	West RL	†2½	4
Kamlac	†20	23	Winwrd	*123	128
Ken Bay	9	11	Y Davids	16	18
Kenda Pe	10	12	Yelknife	260	..
Kenogami	†3	4	do vt	200	..
Kirk GG	*3½	5	**OILS**		
Lar Add	*8½	10	Crusader	..	25
Lavalie	11	11½	Franco	60	70
LaSalle	6	8	Garnet	163	175
Lassie	4½	5½	Grnleduc	15	20
Lennie	2½	3½	Jupiter	*45	48
Lk Expa	†5½	6½	Lingnora	4½	6
Lower Can	3½	4½	Major Oil	3½	4½
Marbenor	22	24	Nw Ranch	3	5
Mallen RL	4	5	P Oil Ref	*18	20
Mar Bird	4	5	Princess	†71	74
Marquette	1½	2½	Vermilion	35	45
Mary Ann	*6½	8	West Lock	9½	11

Municipal Bonds

June 20, 1950

	Coup. %	Matur.	Bid $	Ask $	Yld. %
Victoria	3¾	'68	99	101	3.67
Vancouver	3¾	'69	100	102	3.60
Calgary	3½	'69	99½	101½	3.38
Edmonton	3½	'69	99½	101½	3.38
Regina	3	'64	93	95	3.43
Moose Jaw	3-3½	'60	95	98	3.40
Winnipeg	3	'69	97½	99½	3.04
Ottawa	3¼	'68	103	105	2.89
Toronto	3	'68	99	101	2.92
Hamilton	3	'67	98½	100½	2.96
Windsor	2½	'75	72	75	4.05
Windsor	2¾	'75	76	79	4.05
Windsor	3¼	'75	88	91	4.05
Montreal	3	'70	93	95½	3.30
Quebec	3½	'64	99	101	3.42
Halifax	3	'66	95	98	3.15
Saint John	3½	'65	99¼	102½	3.29

Investment Trust

	Bid	Ask.
Affiliated Funds	4.59	4.97
Can. Invest. Trust	4.50	5.25
Can. Invest. Fund	5.40	5.90
Can. Invest. Corp.	11.25	12.00
Corporate Invest.	9.62	10.40
Commonwealth Int.	4.09	4.49
Investors Mutual	5.342	5.78
Leverage Fund	2.97	3.26
Mut. A Funds	10.35	11.11
Trans-Canada	15.20	....
Do. B	15.70	16.80

Market Comment

What stocks and bonds are doing and what prominent observers say

Up to midweek attempts at market rally were rather feeble and volume continued to show heaviest on the downside. But so far the market setback has been a most orderly affair.

A rather interesting stage has been reached. As long as the downtrend continues orderly, liquidation not too pressing, sufficiently strong buying is likely to assert itself at each lower level to hold the market on an even keel, set the stage for rally. But this potential buying is a highly transitory force and could be withdrawn very quickly.

In other words — although there has been no fundamental change in the business or market picture, the long continuous market advance with its indicated paper profits for many, has injected a highly nervous note into the situation. This could at some time over the weeks ahead generate the very situation that many people have been anticipating. But it is difficult at this time to see such a downturn carrying much beyond 10 to 15 points on the Dow Jones industrial average.

The New York market has obviously been concerned about the corporate tax outlook. The House Ways and Means Committee has approved an increase of some $433 millions in corporation taxes. According to unofficial calculations, the effect of the new rates would be to reduce by about $277 millions the annual tax bill of about 65,000 corporations in the U. S. and increase by approximately $710 millions the taxes of 15,000 corporations. The increases would range up to 8% and decreases 18%. The measure appears to be assured of approval when it reaches the House floor. But in the Senate, there is strong opposition to higher corporation taxes. This will remain a strong market factor over the near term.

* * *

L. G. BEAUBIEN & CO. (Montreal)

The advance in Canadian stock prices is reflected in a comparison of the June, 1949, and May, 1950, indices of the Montreal Stock Exchange. Industrials have risen 37%, public utilities 16% and pulp and paper stocks 81%.

This market improvement has been backed up by many factors which justify optimism.

Firstly, common-stock yields are averaging nearly 6%, in comparison with bond yields of 2½% to 3%. A comparison of stock prices with current earnings indicates that values are not being over-estimated.

Another strengthening factor helping market stability has been the growth of mutual investment funds which are making available to the market the savings of the small investor.

Public optimism is justified by the general growth of the country and by the high level of government and private investment. The Canadian economy successfully resisted the recession in the United States last year. General trend of business here is indicated in the increased dividend distributions by Canadian companies in the first quarter.

The technical position of the market is still healthy. The current situation does not resemble the speculative 1929 period. Nevertheless, there's no doubt that the market is vulnerable to the extent that a falling off in business activity, or unfavorable developments in the precarious international situation, could bring about a decline.

We recommend, at the moment, dividing funds equally between fixed income and variable income securities.

* * *

R. O. BULL, Gairdner & Co. (Toronto)

Widespread pessimism which reached its peak a year ago is in sharpest contrast to the optimism prevailing today. The meat of the current argument which is now being carried on in many quarters as to the destiny of this market, would seem to be whether the bear market of 1946-49 was justified by the actual results of business in both Canada and the U.S.A.

There is not much room for argument against the statement that the market for three years was in error in its appraisal of business conditions and prospects. With the recovery to present levels, investment grade equities appear still attractively priced and many are considerably lower than their 1946 highs, with the companies' earnings and dividends at a higher rate.

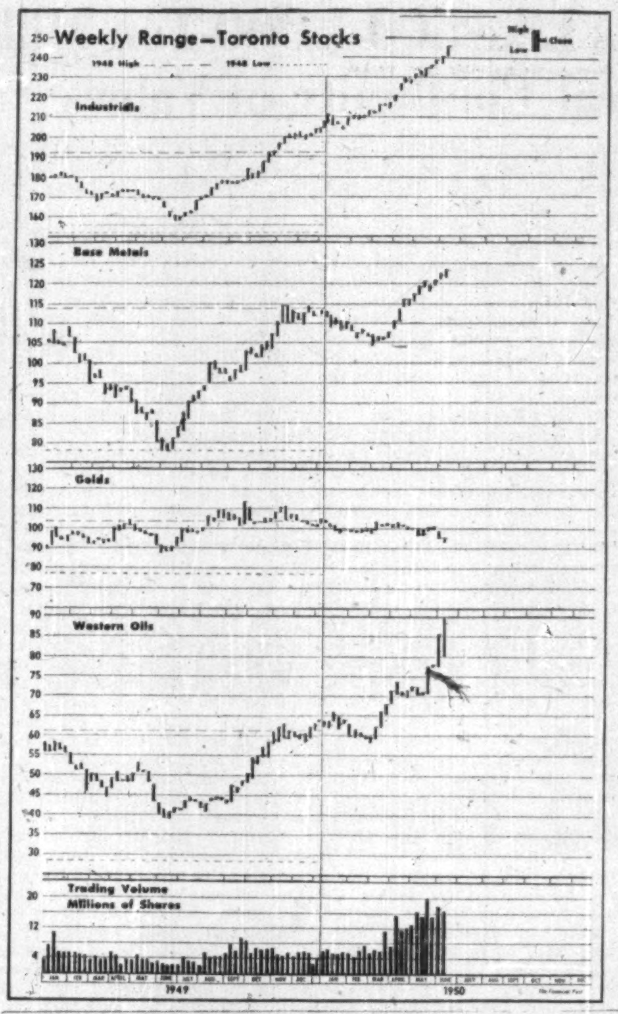
Statistics covering comparisons with previous markets are readily available, and a study of these can only lead one to the conclusion that there are many attractive investments in our market. Add to this a continuing inflation in the American economy and it is difficult to arrive at any other answer than higher levels for sound equities.

* * *

BARRON'S: The Trader (New York)

By no means is the bulk of the buying of common stocks at advancing prices coming from a gullible public or uninformed investors. Compelling need for greater income than is available in the 2¾% yield on high grade corporate bonds is forcing trust companies to take a lively interest in common stocks.

* * *



Dividends Declared

	This payment $	Date payable	Date of record
Abitibi Pwr. & Pap.	.50	July 1	June 1
Do. pref.	.37½	July 1	June 1
Acadia-Atlantic Sugar A	25+.70	July 3	June 9
Aluminum Co. pf.	.25	Sep. 1	Aug. 2
Am. Cyanamid Co.	†.62½	July 1	June 12
Do. pref.	†.87½	July 1	June 12
Do. 3½% pf. B▴*	†.25	July 1	June 12
Anglo Huronian	.25	July 28	June 28
Anglo-Nfld. Devel.	1.00	July 7	May 31
Asbestos	.30+.10	June 30	June 8
J. H. Ashdown A	.15	July 1	June 10
Associated Tele. & Tel. pf.	†1.50	July 1	June 1
Do. 7% 1st pf.	†1.75	July 1	June 1
Auto Fabric Prod. A	.15	July 3	June 15
Do. B	.10	July 3	June 15
Avalon Tele. 7% pf.	.87½	June 30	June 15
Do. 6% pf.	.75	June 30	June 15
Do. 5% pf.	.62½	June 30	June 15
Bank of N. S.	.35	Aug. 1	June 30
Barber-Ellis pf.	1.75	July 15	June 30
Beatty Bros.	.20	July 3	June 15
Beaver Lumber A	.25	July 3	June 10
Do. pfd.	.35	July 3	June 10
Belding Cort. com.	1.50	July 3	May 31
Do. pref.	1.75	July 3	May 31
Belgium Glove	.15	July 1	June 15
Do. pf.	.25	July 1	June 15
Bell Telephone	.50	July 15	June 15
Biltmore Hats	.10	July 15	June 30
Do. A	.25	July 15	June 30
Bralorne Mines	.10	July 15	June 26
Brantford Roof. A	*.25	Aug. 1	July 15
Do. A	.25	Nov. 1	Oct. 14
Do. B	*.10	Aug. 1	July 15
Do. B	.10	Nov. 1	Oct. 14
Brazilian Tr. pf.	1.50	July 4	June 15
T. G. Bright	.25	July 15	June 30
B. A. Oil	.25	July 3	June 7
Do. pfd	.234375	July 3	June 7
B. C. Elec. 4% pf.	1.19	July 3	Coup. 13
Do. 4¾% pfd.	1.00	July 3	Coup. 7
B. C. Forest	.15	Aug. 1	Coup. 6
B. C. Power A	.40	July 15	June 30
Brit. Mtge. & Trust	4.00	July 3	June 15
Broulan Porc. M.	.02	Aug. 1	June 30
Building Products	.40	July 3	June 8
Burlington Steel	.25	July 3	June 10
Burns Co. A & B	.40	July 28	July 7
Do. A & B	.40	Oct. 28	Oct. 7
Calgary Pwr. 4% pf.	1.00	July 3	June 7
Do. 4½%	1.12½	July 3	June 7
Canada Bread	.10	July 3	June 16
Do. B pf.	.62½	July 3	June 16
Canada Dry	†.15	July 1	June 15
Do. pref.	†1.06¼	July 1	June 15
Can. Flooring B	.15	July 1	July 15
Can. Life	5.00	July 3	June 30
Can. Machinery	.25	June 28	June 8
Can. Northern Pwr.	.15	July 25	June 20
Can. Perm. Mtge.	2.25	July 3	June 15
Can. South. Rly.	†1.50	Aug. 1	June 28
Can. Starch pf.	1.75	June 30	June 23
C. Steamships L. pf.	1.25	July 3	June 8
Can. Trust Co.	4.00	July 3	June 15
Can. Varnish pf.	.31¼	July 1	June 21
Cdn. Bk. of Comm.	.20	Aug. 1	June 30
Can. Breweries	.50	July 1	May 31
Can. Canners	.31¼	July 3	June 10
Do. pf.	.15+.10	July 3	June 10
Candn. Bronze	.31	Aug. 1	July 10
Do. pf.	1.25	Aug. 1	July 10
Candn. Celanese	.50	June 30	June 9
Do. 1.75 pf.	.43¾	June 30	June 9
Do. 1.00 pf	.25	June 30	June 9
Candn. Cottons	.70	July 3	June 2
Do. pref.	.30	July 3	June 2
Can. Dredge	.70	Dec. 15	Nov. 15
Can. Fairbanks pf.	1.50	July 15	June 30
Candn. Fire Insur.	.40	July 3	June 20
Can. Food Prod. A	.25	July 3	May 31
Do. pref.	1.12½	July 3	May 31
Can. For. Inv.	.50	July 3	June 1
Can Gen. Elec.	2.00	July 1	June 15
Can. Gen. Invest.	.22½	July 15	June 30
Candn. Ice Mach. A	.20	July 1	June 14
Can. Indemnity	.50	July 3	June 20
Candn. Ind.	.20	July 31	June 30
Do. pf.	†.75	July 15	June 15
Candn. Ing.-Rand	1.00	June 28	June 14
Can. Motor Lamp	.15	Sep. 15	Aug. 25
Do.	.15	Dec. 15	Nov. 25
Can. Oil Cos. 8% pf.	2.00	July 3	June 9
Do. 5% pf.	1.25	July 3	June 9
Do. 4% pf.	1.00	July 3	June 9
C.P.R. pf.	2%	Aug. 1	June 30
C. Refractories pf.	1.12½	July 15	June 29
Candn. Silk Prod.	.37½	June 30	May 31
Candn. Vickers	*.25	Sep. 1	Aug. 15
Can. West. Lumber	.10	July 15	June 17
Do.	.10	Oct. 16	Sept. 18
Can. Westinghouse	.50	July 1	June 14
Candn. Wirebound Boxes A	.37½	July 3	June 16
Carnation pf.	†.93¾	July 1	June 15
Cassidy's	.20	July 3	June 2
Do. pfd.	1.75	July 3	June 2
Celanese Corp.	†.60	June 23	June 2
Do. 1st pf.	†1.18¾	July 1	June 2
Do. 2nd pf.	†1.75	July 1	June 2
Celtic Knit.	.50	July 31	July 15
Central Can. Loan	2.00	July 3	June 19
Chartered Trust Co.	.25	July 3	June 15
Coch.-Willans	.04	July 4	June 15
Cockshutt Plow	.35	Sep. 1	Aug. 1
Do.	.35	Dec. 1	Nov. 1
Command Oil Ltd.	.08	June 30	June 19
Confed. Life	2.00	Sep. 15	Sep. 10
Do.	2.00	Dec. 15	Dec. 10
Cons. Litho.	.50	June 30	May 29
Cons. M. & S.	1.50+2.50	July 15	June 19
Cons. Paper	[illegible]	July 17	June 5
Cons. Gas	2.00	July 3	July 15
Craig Bit pfd	.25	July 1	June 17
R. L. Crain	.10	July 3	June 16
Crown Life	5%	July 3	June 30
Crown Trust	1.25	July 3	June 27
David & Fr., A	.25+.25	June 30	June 15
Disher Steel	.50	July 7	June 22
Do. A pf.	.37½	Aug. 1	July 15
Detroit Int. Bridge	†.40	June 30	June 16
Dome M.	.17½	July 31	June 30
Dom. Bank	.25	Aug. 1	July 15
Dom. Corset	.20	July 3	June 14
Dom. Foundries	.50	July 3	June 10
Dom. Glass	.25	July 15	June 28
Do. pfd.	.35	July 15	June 28
Dom. Oilcloth & L.	.40	July 31	July 4
Dom. Square	1.00	July 15	June 15
Dom. Tar & Chem.	.25	Aug. 1	July 3
Do. pfd.	.25	July 3	June 1
Dom. Textile Co.	.15	July 3	June 5
Do. pf.	1.75	July 15	June 15
Donnacona Pap. pf.	1.12½	Aug. 15	July 14
Dunlop Tire & Rubber pref.	.62½	June 30	June 15
East. C. Sav. & Loan	1.50	July 1	June 20
Eastern Trust	.20	July 1	June 20
Easy Washing	.05+.05	July 3	June 15
Economic Inv. Tr.	.40	June 30	June 12
Empire Brass A	.25	July 15	June 30
Do.	.25	Oct. 14	Sep. 29
Enamel & Heat.	.50	July 31	June 30
Ensign Ins. Co.	1.80	July 1	June 30
Estabrook pf.	.26	July 15	June 16
Evans, Coleman A	.15	July 3	June 21
Do. B	.05	July 3	June 21
Excelsior Life	4%	July 3	June 30
Famous Players	.25	June 24	June 9
Fanny Farmer	†.37½	June 30	June 15
Fibre Products	.20	June 22	June 1
Do. pf.	.25	June 30	June 15
Fed. Fire Ins.	1.00	Aug. 15	Aug. 11
Flash Fast. pf.	.25	July 15	July 8
Fittings A	.30	July 1	June 6
Found. Co. of Can.	.35	July 21	June 30
Fraser Cos.	.50	July 24	June 30
Do. pfd.	1.19	July 1	June 10
Gatineau Power	.30	July 1	June 1
Do. 5% pf.	1.25	July 1	June 1
Do 5½% pf.	1.38	July 1	June 1
Genl. Pete. ord. & A	.02	July 5	June 15
Genl. Trust Co. pf.	1.25	July 15	June 30
Golden Man. M.	.05	July 3	June 12
Goodyear Tire	1.00	July 2	June 9
Grafton & Co. A	.25	Sep. 15	Aug. 25
Do.	.25	Dec. 15	Nov. 25
Grand & Toy	.15	June 30	June 20
Gt Lakes Pap.	.40	June 30	June 9
Do. A	.62½	June 30	June 9
Do. B	.30	June 30	June 9
Gt. West Felt pf.	.12½	July 1	June 16
Great West Life	5.00	July 3	June 20
B. Greening Wire	.05	July 3	June 15
Gypsum, Lime A	.35	Sep. 1	Aug. 1
Do.	.35	Dec. 1	Nov. 1
Hamilton Bridge Co.	.12½	July 1	June 15
Harding Carpets	.20	July 3	June 15
Hart Battery	.15	July 6	June 8
Hendershot Pap.	.25	July 3	June 23
Highland Bell	.05	July 5	June 17
Hinde & Dauch	.28	July 3	May 31
Hollinger Cons.	.06	June 30	June 2
F. W. Horner A	.12½	July 2	June 1
How. Smith	.50	July 29	June 30
Do. pfd.	.50	July 20	June 30
Hubbard Felt A	.75	July 1	June 10

Dividends Declared (con'd)

Hud. Bay Co.	4%+2½%	July 14	June 23
Hunts A	.15	July 3	June 15
Do. B	.15	July 3	June 15
Huron & Erie	1.25	July 3	June 15
Do. 20% pd.	.25	July 3	June 15
Hydro-Elec. Sec.	.25	Aug. 1	June 30
Do. B	.25	Aug. 1	June 30
Imp. Bank	.30	Aug. 1	June 30
Imp. Tobacco	.12½	June 30	May 16
Do. 4% pf.	.25	Aug. 1	June 20
Indust. Accept.	.50	June 30	June 1
Do. 4½%	1.06¼	June 30	June 1
Do. 5%	1.25	June 30	June 1
Do. 5% c. p. $25	.31¼	June 30	June 1
Do. 5% c. p. $32	.40	June 30	June 1
Ind. Mtge. & Trust	1.50	July 3	June 15
John Inglis Co.	.10	July 1	June 16
Ingersoll Mach. A	.12½	July 1	June 15
Do. 4% pf.	1.00	July 3	June 15
Intercolonial Coal	1.00	July 3	June 20
Do. pf.	4.00	July 3	June 20
Int. Bronze Pwds. pf	.37½	July 15	June 14
Inter City Baking	.20	June 30	June 14
Int. Holdings	.75	Aug. 15	July 14
Int. Metal Ind. A & B	.50	July 3	June 9
Do. pfd.	1.12½	July 3	June 9
Intl. Nickel	†.40	June 20	May 23
Do. pf.	†1.75	Aug. 1	July 3
Intl. Paper pf.	†1.00	June 26	May 26
Inter. Power	.60	July 15	June 15
Do. 1st pf.	.63	July 3	June 10
Do. 2nd pf.	3.00	July 15	June 15
Invest. Found.	.40	Oct. 16	Sep. 15
Do. pref.	.75	Oct. 16	Sep. 15
Do. pref.	.75	July 15	June 15
Jamaica Pub. S. Ltd.	.25	July 3	May 31
Do. pf.	1.75	July 3	May 31
Journal Pub.	.20	July 15	June 30
Kelvinator	.75	June 20	June 5
Kerr-Addison G. M.	.20	June 28	May 31
John Labatt	.25	July 3	June 15
Lake Dufault M.	.02½	June 22	June 7
J. A. Lang	.25	July 1	June 10
Leduc-West Oils	.04	July 15	June 15
Lewis Bros.	.15	July 31	June 30
London Hose. A	.20	July 1	June 21
M. Loew's Theatres	1.00	June 30	June 10
W. M. Lowney	.25	July 15	June 15
H. R. MacMillan A	.12½	June 30	June 9
Do. B	.12½	June 30	June 9
Mailman Corp.	.25	June 30	June 19
Do. pf.	1.25	July 31	July 14
Manuf. Life	7.50	July 3	June 23
Maple Leaf Gardens	.25	July 17	July 3
Mari. Tel. & Tel.	.20	July 15	June 20
Do. pfd.	.17½	July 15	June 20
L. McBrine	.50	July 1	June 14
McCarthy Mill A	.27½	July 3	June 5
Do. B	.07½	July 3	June 5
McColl-Front.	.25	July 15	May 15
McIntyre Porc.	.54¼	Sep. 1	Aug. 1
McLennan, McFeely & Prior pf.	1.12½	June 30	June 20
Mersey Paper	1.00	July 2	June 10
Do. pf.	1.12½	July 3	June 10
Mid. & Pac. Gr.	.50	Aug. 1	July 15
Minas Basin	.40	July 3	June 15
Mining Corp.	.15	June 30	May 31
Minn. & Ont. Pap.	†.37½	July 25	June 30
J. S. Mitchell	1.25	July 3	June 15
Robt. Mitchell	.50	Dec. 15	Nov. 15
Modern Contain. A	.25	July 1	June 20
Moirs Ltd. pf.	4.50	July 3	June 15
Molsons A	.20	June 22	June 1
Do. B	.20	June 22	June 1
Monarch Knit.	.25	July 3	June 10
Do. pfd.	1.12½	July 3	June 10
Mon. Mtge.	.75	June 30	June 20
Mt'l City & Dist. Sav. Bank	.35	July 3	June 1
Montl. Loco.	.40	July 3	June 6
Mtl. Refrig.	.75	June 30	June 14
Montl. Tlgrph. Co.	.50	July 15	June 15
Moore Corp.	.75	July 3	June 1
Do. A & B	†1.75	July 3	June 1
Do. 4% pf.	.25	July 3	June 1
Morrow Screw	.75	June 15	June 3
Do. pf.	1.00	July 1	June 17
Mt. Royal Metal Co.	.15	July 2	June 15
Murphy Paint	.20	June 30	June 15
F. C. Myers pf.	1.25	July 3	June 28
Natl. Biscuit Co.	.50	July 14	June 6
Nat. Brew.	.50	July 3	June 9
Do. pref.	.44	July 3	June 9
Nat. Grocers	.15+.20	July 1	June 15
Do. pf.	.37½	July 1	June 15
Nat. Hose. Mills A	.15	July 1	June 2
Do.	.15	Oct. 1	Sep. 1
Do.	.15	Jan. 2	Dec. 1
Do. B	.40	July 1	June 2
Natl. Stl. Car Corp.	.37½	July 15	June 15
Nat. Trust	.25	July 3	June 15
New England Elec.	†.20	July 1	June 12
Niagara Wire & W.	.40	July 3	June 13
Normetal M.	.09	June 30	May 31
North-West Brew.	.15	June 30	June 15
North Star Oil	.08½	July 3	June 10
Nor. Can. Mtge. pfd.	.50	July 1	unstated
N. S. Lt. & Pwr.	.25	July 3	June 7
Ogilvie Flour	.25	July 3	May 23
Ont. Loan & Deben.	1.25	July 3	June 15
Ont. Steel Products	.75	Aug. 15	July 14
Do. pf.	1.75	Aug. 15	July 14
Page-Hersey Tubes	.50	July 1	June 15
Paramount Pict.	†.50	June 30	June 19
Paul, S. S.	.25	July 3	June 15
Peoples Credit Sec.	.25	July 15	June 30
Perron Gold	.01	July 20	June 20
Pickle Crow G.M.	.10	June 30	May 31
Power Corp.	.50	June 30	May 31
Do. pfd.	1.50	July 15	June 20
Do. 6% pfd	.75	July 15	June 20
Premier Trust	1.00	June 30	June 19
Pressed Met.	.25	Sep. 1	Aug. 10
Do.	.25	Dec. 1	Nov. 10
Preston East Dome	.02	July 15	June 15
Price Bros.	2.00+‡1.00	Aug. 1	July 10
Do. pfd.	2.00	July 1	June 5
Proprietary M.	.20	June 28	May 31
Provincial Trans.	.40	Aug. 15	Aug. 1
Purity Flour M. pf.	.87½	Aug. 1	July 14
Que. Manitou M.	.02	July 3	June 12
R. & M. Bearings A	.28	July 3	June 15
Regent Knit. pfd.	.40	Sep. 1	Aug. 15
Do.	.40	Dec. 1	Nov. 15
Reliance Pet. pfd.	1.12½	July 3	June 20
Remington Rand	.25	July 1	June 9
Do. pfd	1.12½	July 1	June 9
Renfrew Textiles A	.15	July 1	June 10
Renold Cov.	.28+.05	July 3	June 15
Do.	.27+.05	Oct. 2	Sep. 16
Riverside Silk A	.50	July 1	June 15
Robertson Mfg.	.50	July 1	June 20
Do. pf.	.62½	July 1	June 20
Robinson Co[illegible]	.10	Aug. 1	July 3
Robinson [illegible] com	.20	June 30	June 15
Russell Ind.	.25	June 30	June 9
Do. pf.	1.75	June 30	June 9
St. Law. Pap. 1st pf.	1.50	July 25	July 4
Do. 2nd pfd.	.60	July 25	July 4

Dividends Declared (con'd)

Saguenay Pwr.	1.06	July 1	June 7
Sangamo Co.	.17½	June 26	June 22
Schultz Die Cast. pf.	.62½	July 3	June 15
Shawinigan W. & P. A pf.	.50	July 2	June 2
Do. B pf.	.56¼	July 2	June 2
Sheep Creek	.02	July 15	June 30
Sherwin Williams	.25	Aug. 1	July 3
Do. pf.	1.75	July 3	June 9
Sicks Brewery	.30	June 30	May 23
Do. V.T.	.30	June 30	May 23
Silver Miller	.03	July 31	July 12
Sigma M[illegible]	.25	July 29	June 28
Silverwood [illegible] A	.15	July 3	May 31
Do. B	.10	July 3	May 31
Silverwood West. pf.	1.25	July 3	May 31
N. Slater	.45	Aug. 1	July 10
Do. pf.	.53	July 15	July 3
Southam	.25	June 28	June 13
So. Can. Pwr.	.35	Aug. 15	July 20
Do. pfd.	1.50	July 15	June 20
Standard Chem.	.12½	Sep. 1	July 31
Do. 5% pf.	1.25	Sep. 1	July 31
Standard Radio A	.10	July 10	June 20
Do. B	.10	July 10	June 20
Stanley Brock A	.15	Aug. 1	July 10
Do. B	.10	Aug. 1	July 10
Stedman	.20	July 3	June 15
Steel Co. of Can.	.20	Aug. 1	July 7
Do. pref.	.20	Aug. 1	July 7
Sterling Trusts	1.50	July 3	June 15
Sun Life Assur.	5.00	July 1	June 15
Supertest Pete. B	.75	July 15	June 22
Do. com.	1.50	July 15	Coup. 61
Do. ord.	1.50	July 15	Coup. 61
Sylvanite Gold M.	.04	July 1	May 16
Tamblyn Ltd.	.25+.05	July 3	June 9
Do. pfd.	.50	July 3	June 9
Tay. Pear & Car.	.20	July 3	Mar. 1
Thrift Stores	.30	July 1	June 15
Tip Top Tailors	.15	July 3	June 1
Tooke Bros.	.10	July 3	June 15
Tor. Gen'l Trusts	1.75	July 3	June 9
Toronto Iron	.15	July 3	June 15
Do. A	.15	July 3	June 15
Tor. Mtge. Co.	1.25+.25	July 1	June 15
Traders Fin. A & B	.37½	July 3	June 15
Do. pfd.	1.12½	July 3	June 15
Tuckett Tobacco pf.	1.75	July 15	June 30
Twin City pfd.	†.62½	July 1	June 23
Union Accept. Corp.	*.15	July 1	June 15
Union Gas Co.	.20	Aug. 1	July 7
Un. Fuel Invest. A	.75	July 3	June 16
United Service pf.	.17½	July 2	June 10
United Steel Corp.	.15	June 30	June 15
Ventures Ltd.	.05	July 5	June 16
Verney Corp. pf.	.56	July 1	June 15
Viau Ltd.	.50	July 3	June 20
Viceroy Mfg.	.20	Sep. 15	Sep. 1
Victoria Tr.	1.75	July 3	June 15
Wabasso Cotton	.25	July 3	June 10
Waterloo Tr. & Sav.	2.75	July 3	June 23
W. Koot. P. & L. pf.	1½%	July 3	June 20
Wes. Mason pf.	1.37½	Aug. 1	July 12
West. Can. Brew.	.25	Sep. 1	July 31
Western Grocers pf.	.35	July 15	June 15
Do. A	.50	July 15	June 15
Weston, Geo	.25	July 3	June 9
Western Assur. pfd.	1.20	July 3	June 29
Willson Stat. pfd.	1.25	July 15	June 30
Wilsil Ltd.	.25	July 3	June 1
Winnipeg Electric	.75	June 30	May 15
Do. pref.	2.50	June 30	May 15
Wood, A. J. pf.	1.75+1.75	Aug. 1	July 15
Woods Mfg. Co. Ltd.	.25	June 30	May 31
Wool Combing	.40	July 10	June 24
Wright-Hargreaves	.04	July 3	May 26
York Knitting A	.20	June 30	June 15

†American funds. *Initial. ‡Extra.
▴For period June 5-June 30.

Bond Redemptions

Bond issues:	Rate	Year	Call	Price
▴Sao Paulo 50-yr. 1st mtge. bds.	5%	1962	July 1	100

▴$74,900.

Bond Tenders

12 noon, June 22, 1950. Canada Treasury Bills, payable Sept. 22, 1950, $73,000,000. Dated June 23, 1950.

New Highs and Lows

During the week ended June 16, 87 new highs were recorded among the general stocks on Canadian stock exchanges and 14 new lows. In the mining group there were 35 new highs and 22 new lows. In the western oil group there were 42 new highs and two new lows.

GENERAL

New Highs—1950

Agnew-Surpass, Algoma Steel, Asbestos, Auto Elec. Serv. A, Bank of Toronto, Bathurst Pwr. A, Do. B, Bell Telephone, Brazilian Traction, British Amer. Oil, Do. pf., B. C. Power A, Do B, Burnett Ltd., Burns & Co. A, Do. B, Canada Cement, Canada Iron, Canada Packers A, Do B, Canada Permanent, Candn. Bk. Comm., Candn. Car A, Candn. Cotton, Candn. Gen. Invest., Candn. Ind., CPR, Candn. Tire, Candn. Utilities, Candn. W'lpaper B, Capital Estates, Catelli Food, Cons. Diver. Sec. A, Cons. M. & Smelt., Cosmos Imperial, Dom. Bank, Dom. Corset, Dom. Glass, Dom. Scottish Inv., Dom. Stores, Donna. Paper, Do. pf., Economic Rts.

Fibre Products, Ford Motor A, Do. B, Hamilton Cotton, Hinde & Dauch, H. Smith Paper pf., Imperial Bank, Ind. Accept., Do. 4¼% pf., Do. 5% Conv. pf., Do. 5% CC p., Inter. Milling pf., Inter. Nickel pf., Inter. Paper, Inter. Power, Inter. Utilities, Maclaren Power, Massey-Harris pf., Mersey Paper, Molson Brew. B, Monarch Mtge., Montreal Tram., Nat'l Drug pf., Ont. Loan & Deb., Page-Hersey Tubes, Power Corp., Price Bros., Prov. Transport, Rolland Paper, Royal Bank, St. Law. Corp., Do. 1st pref., St. Law. Pap. 1 pf., Sarnia Bridge, Shawinigan Pwr., Traders Finance, Do. B, United Amuse. B, United Fuel pf. A, United Securities, Wabasso Cotton, Walker, Hiram, Westeel Products, West Canada Brew.

New Lows—1950

Can. Found. & F., Candn. Food pf., Candn. Ingersoll R., Claude Neon pf., Dom. Woollens, Eastern Steel, L. of Woods Mill.

J. A. Lang, Langley's pf., Mercury Mills, Shaw. Pwr. 4% pf., Sherwin-Williams, Tuckett Tobacco p., West. Groc.

MINING

New Highs—1950

Anacon Lead, Ascot Metals, Belle-Chib., Bouscadillac, Buffalo Canadian, Bulldog Y'knife, Canusa, Cartier Malartic, Celta Dev., Centremaque, Falconbridge, Graham Bousquet, Grandview, Kootenay Belle, Ladulama, Lake Fortune, Lake Osu, Madsen Red Lake

Martin McNeely, Mylamaque, North Inca, Osisko, Pend Oreille, Privateer, Quebec Gold, Red Hawk, Reeves MacDonald, Star Lake, Starratt Olsen, United Keno Hill, Wendell Min. Prod., West. Uranium, West. Ashley, Winchester, Winora

New Lows—1950

Bralorne, Buffalo Ankerite, Campbell R. Lake, Chesterville, Cochenour Willans, Coniaurum, Dome, East Malartic, Kirkland Lake, McIntyre Porc., Mining Corp.

Negus, New Norseman, Northland, O'Brien, Ogama Rockland, Pamour Porc., Roybar Uran., San Antonio, Sigma, Taku, Upper Canada

OILS

New Highs—1950

Admiral, Allied, Anglo-Canadian, Atlantic, Calnorth, Calvan, Central Leduc, Coastal, Command, Commonwealth, Cons. Homestead, Del Rio, East Crest, East Leduc, Federated Pet., Foothills, Freehold, Garrison, Globe, Jumping Pound, Leduc Calmar

Leduc West, Mercury, Mill City, New British, North Continental, Okalta, Pacific Pet., Phillips Pet., Piccadilly Pet., Polaris, Princess Pet., Reef Pet., Richfield, Royal Crest, Share Oils, So. Brazeau, Texas Candn., Turner Valley, United Oils, Vulcan, York Oils

New Lows—1950

Redwater, So West. Pet.

LENCOURT GOLD MINES was inactive in 1949; any resumption of work will require additional financing "which will depend on market conditions." At a special meeting of shareholders held April 29, 1950, a bylaw authorizing issue of the remaining 1.7 million treasury shares, at a discount of 95%, was ratified.

DIRECTORY OF **Chartered Life Underwriters**

ESTATES PENSIONS FAMILY INCOMES

DAVID A. DONALDSON, C.L.U.
The London Life Insurance Company
25 King St. West — TORONTO — Wa. 1844

JOHN A. ROBARTS, C.L.U.
The London Life Insurance Company
25 King St. West — TORONTO — Wa. 1844

ANDREW J. ELDER, C.L.U.
THE LONDON LIFE INSURANCE COMPANY
25 King St. West — TORONTO — WAverley 1844

HOWARD J. CROFTS, C.L.U.
Representing
THE LONDON LIFE INSURANCE COMPANY
25 King St. West — TORONTO — WA. 1844

MORT. L. LEVY, C.L.U.
"Industrial Pensions and Estate Planning"
THE IMPERIAL LIFE ASSURANCE COMPANY OF CANADA
OFFICE: WA. 8365 TORONTO Res. MO. 9750

SAMUEL LITWIN, C.L.U.
Estate and Business Insurance Analyst
Sun Life of Canada
Sun Life Building MONTREAL PL. 3131

MAURICE E. THOMAS, C.L.U.
Estate Analysis—Business Insurance
THE LONDON LIFE INSURANCE CO.
700 Canada Cement Bldg. PLateau 6851
MONTREAL

Industrial Pensions — Business Insurance — Estate Planning
PAUL AUDET, C.L.U.
Branch Manager
THE PRUDENTIAL ASSURANCE COMPANY LTD.
PRICE HOUSE—QUEBEC CITY—TEL. 2-4051

Dominion Eng. Gets N. Zealand Orders

MONTREAL (Staff) — Dominion Engineering Co. has received two orders from New Zealand State hydro-electric department for large hydraulic turbines, company announces.

One order is for four turbines of 56,000 hp for the Roxburgh powerhouse on the Clutha River and the other for four 35,000 hp units to be installed at the Whakamaru power station on the Waikato River in the North Island.

The orders reflect the company's increased efforts in the export field. As in the case of turbines sold earlier this year to Brazil, the business was obtained in competition with companies in several other countries, in this case Great Britain, U. S., France, Sweden, Italy and Japan.

Part of the work on the New Zealand orders will be done by New Zealand firms, but the greater part of the power units will be built in Canada.

SIGMA MINES (QUEBEC) production for May 1950 amounted to $241,523 from 36,053 tons milled, against $231,687 for April 1950 and $208,938 for May 1949.

Record of Financing

Sales by Municipalities, Provincial and Dominion Government. Offerings of Corporation and Foreign Securities

DOMINION

Government of Canada Treasury Bills—Due Sep. 8, 1950, $75,000,000. Issued June 8, 1950. Sold at $99.87261 to yield .513%.

PROVINCIAL

Province of British Columbia—1¾%, 2% and 2½% debentures, due June 15, 1951-53-54-60 and 3% sinking fund debentures, due June 15, 1968, $26,000,000. Dated June 15, 1950. Price serial debentures: on application, sinking fund debentures offered at $99 and accrued interest to yield 3.07% by A. E. Ames & Co. Ltd., Mills, Spence & Co. Ltd., Dominion Securities Corp. Ltd., McLeod, Weir & Co. Ltd., Bell, Gouinlock & Co. Ltd., Wood, Gundy & Co. Ltd., McMahon & Burns Ltd., Royal Securities Corp. Ltd., Fairclough & Co. Ltd., James Richardson & Sons, Nesbitt, Thomson & Co. Ltd., Anderson & Co. Ltd., J. L. Graham & Co. Ltd., Pemberton & Son Vancouver Ltd., W. C. Harris & Co. Ltd., The Western City Co. Ltd. and Collier, Norris & Quinlan Ltd.

MUNICIPAL

Village of La Guadeloupe, Que.—3½% debentures, due Sep. 1, 1950-74, $15,000. Issued May 30, 1950. Sold privately at $100.

School Commission of St. Pacome, Que.—3% and 3½% debentures, due Jan. 1, 1951-54-70, $90,000. Issued May 30, 1950. Sold privately at $98.50.

Britt Consolidated School Section, Ont.—4% 1-20 year debentures, $36,000. Issued June 1, 1950. Sold at $99 to Fairclough & Co. Ltd.

Town of Lacombe, Alta.—4% debentures, due 1951-70, $57,000. Issued June 8, 1950. Sold at $102.31 to James Richardson & Son.

Edmonton Roman Catholic Separate Schools—3¼% and 3½% debentures, due June 15, 1951-60-70, $180,000. Issued June 12, 1950. Sold at $100.77 to Wood, Gundy & Co. Ltd. and D. M. Duggan Investment Ltd.

Toronto and Suburban Separate School Board—3% debentures, due June 30, 1951-70, $300,000. Issued June 30, 1950. Sold at $101.564 cost basis 2.85% to Banque Canadienne Nationale, Midland Securities Ltd. and Goulding, Rose & Co. Ltd.

F. H. DEACON & CO.
Business Established 1897
Members The Toronto Stock Exchange
197 BAY ST. — TORONTO 1 — ELGIN 3401

DEACON FINDLEY COYNE
LIMITED
MEMBERS INVESTMENT DEALERS' ASSOCIATION OF CANADA
Government, Municipal and Corporation Bonds
197 BAY ST. — TORONTO 1 — ELGIN 3401

J. E. GRASETT & CO.
Members The Toronto Stock Exchange
244 BAY STREET, TORONTO WA. 4781
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Newlund Looks Like 500-1,000-Ton Mill Granted Vertical Continuity of Values

Good ore news continues to be made at Newlund Mines with almost monotonous regularity. The management feels it is too early to talk mill size — the property has only been opened on the 200-ft. level so far — but it is not hard to visualize a 500-ton mill if present showings have substantial vertical continuity; and a 1,000-ton mill could easily result granted some further extension of present showings together with vertical continuity.

Obviously a mill of 1,000 tons capacity would require major financing. But if the Newlund property continues to "click along" in present fashion, it could easily prove of sufficient character to result in such financing being arranged without undue difficulty.

Drift Runs Rich

Westward on the 200-ft. level, the drift is now out 110 ft. past 107 crosscut. A new crosscut is going in 85 ft. west of 107 and there is plenty of visible gold showing in it. The drift going west for the last 30 ft. also shows plenty of gold and tellurides. Ore width in 107 crosscut is 35-40 ft. and grade apparently is representative of the entire zone previously opened up. An arithmetic uncut average of muck samples for the eastern part of the big zone would run close to $15 a ton. Because of the widths of ore outlined, grade in mining should be quite satisfactory.

Actual ore length outlined from end to end for the ore body is 460 ft. with average width of 35 to 40 ft. But with further surface drilling ahead to the west and a normal expectation of a little ore additional on the east end, it is possible to see 530 ft. of ore — plus — for this one shoot. The mineralized material of the zone runs heavy and allowing 11 cu. ft. to the ton (rather than the usual 12 cu. ft. to the ton for gold ore), tonnage per vertical foot would range anywhere from 1,750 to 1,960 tons, it is estimated.

As a hole angled downward normal to the cross fractures from 104 crosscut and an uphole from the same crosscut, returned satisfactory results, the management is considering discontinuing this type of exploration for the present.

Gets Response to East

An extremely intriguing picture appears to be unfolding to the east and an important ore picture could quickly shape up in this locality as more complete assay details become available. The 113 crosscut has shown heavy mineralization, apparently of ore grade. Structure is typical of that in the western section. The main east drive is now 110 ft. past the 113 crosscut and a new crosscut is being turned off about 85 ft. from the end of the 113 heading. There is heavy mineralization in the drive but results of sampling are awaited to determine the full importance. Surface drilling suggests that the section ahead could be most interesting.

The heading out to the west is approaching an area where there may be some folding and it is possible that a "jackpot" might also be struck there before the Windward boundary is reached.

Work underground at Newlund has been confined to a length of only 1,500 ft. From surface drilling, some significant results may lie ahead. To the east, the company has about 6,000 ft. along the strike; to the west there is about 1,100 ft. "open" before the Windward boundary is reached.

Because gold content of the structure is chiefly confined to quartz stringers which lie at right angles to the main zone, the chief value of surface drilling, as it turns out, has probably been in establishing structure and the width of the zone. It requires actual underground work to establish grade and crosscuts rather than drill holes are best for working this out.

Diamond drilling has now been started on the Windward property to the west to confirm previous results and to spot a site for a shaft which is now under consideration. Previous Windward drilling, and drilling at Conecho to the west, suggest that the Newlund structure passes right through the Windward property. While Windward values were only exciting in one hole, the method of occurrence of the gold in the cross fractures at Newlund suggest that the existence of the structure is probably the important thing at Windward. Underground work will probably be the best way to evaluate the occurrence.

Villbona property which adjoins Newlund to the east, according to unconfirmed reports, has turned up some free gold showings, including a find on the Villbona-Newlund boundary. This is indicative of possible emerging news of the establishment of the Newlund structure still farther to the east than has been worked out to date.

A. COLLIN RAYMENT

has been appointed to head the Montreal office of John A. Cairns & Co. of Canada, advertising agency.

Ascot Clicks On 2nd Hole

Drilling on Ascot Metals Corp.'s newly acquired Suffield property—eight miles from the Moulton Hill mine— has returned very promising results from two holes, The Financial Post is informed.

The first, S-18, returned a core length of 28.2 ft. assaying 0.01 oz. gold, 8.02 oz. silver, 3.91% copper, 0.83% lead and 17.55% zinc, Mine Manager Fred Hall told shareholders at the annual meeting. A second hole, 60 ft. away, S-20, gave 0.04 oz. gold, 8.14 oz. silver, 4.22% copper, 0.59% lead and 15.21% zinc along a core length of 33.2 ft. Two drills are presently at work on the ground, and the old workings are being dewatered.

At the main Moulton Hill mine, production is scheduled to start towards the end of July, with an initial daily milling rate of 300 tons and a goal of 400 tons daily. The shaft there is being deepened from the 5th to the 7th level and may eventually be put down to the 10th (1,250-ft.) horizon. A station has already been cut on the 6th level and a crosscut is expected to reach the ore zone in about a week; the 7th level station will be cut shortly.

On the 4th level, drifting north and south of the crosscut has opened up 881 ft. of ore, and on the fifth level, 873 ft. of ore, Mr. Hall states. Ore found on these levels has been of a higher grade than that mined on the upper three horizons for a short period during the war by Aldermac Copper Mines.

"Ample funds to carry the mill into production are on hand," it is stated. Cash, at the end of May, 1950, amounted to $98,466, against accounts payable of $23,-333. A total of 500,000 shares are still in the treasury, none optioned.

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Arctic Yellowknife In Montreal River

Announcement is made by Arctic Yellowknife Mines of acquisition of a group of 11 claims in the Montreal River area, Lake Superior district, adjacent to the LaBine-McCarthy mine and Damascus Mines, sponsored by Transcontinental Resources.

A field crew is en route to commence work immediately. The numerous dikes on the property will be explored. In such dikes, important discoveries have been made on Ranwick, LaBine-McCarthy and Damascus. Among those in the area is a Cleveland group, Algoma Ore Properties and Penwood Gold Mines. It is understood that the Falconbridge property in the area was recently acquired by Ranwick.

Underground work is continuing steadily at Ranwick and a contract for an adit has been let by the LaBine-McCarthy operation.

While work on the Ranwick property has yet to test the area of surface disclosures and underground work, results obtained apparently suggest the possibility of either a 500-ton mill treating a low-grade rock or a 150 to 200-ton operation treating selected mine material.

HARDROCK GOLD MINES has received payment from Brewis & White Ltd. for July 8 option installments of 100,000 shares at 50c a share under agreement of May 8. Issued capital is 3,490,074 shares leaving 509,926 shares in treasury.

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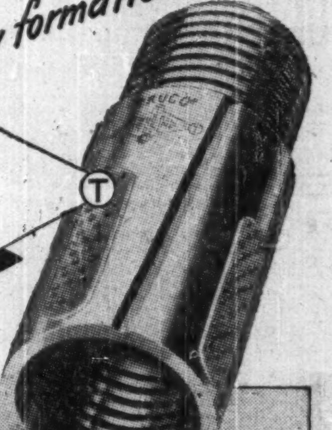
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MINING INVESTMENTS

Copper Situation "Tense" Further Rise Is Possible

New York advices describe the market situation in copper as "tense." Copper scrap has been edging narrowly higher again, and increases in scrap heralded previous rises to the present 22.5 cents U. S. a lb price. According to one authority the supply of copper available in the United States is still running 40,000 tons a month behind what customers want.

Copper stocks in the U. S. have reached the lowest peacetime figure since 1937.

The big copper strike in Chile is continuing and this is no doubt causing pressure for a higher copper price. Some quarters think that a further rise of a cent or two cents a lb. is not unlikely.

Many of the big producers — and mines here in Canada — view the present price as eminently satisfactory and would probably be satisfied to see the situation stay "as is." It is realized that a spectacular upward swing might encourage development of high cost production, overproduction, and a possible undesirable downward swing in the price of copper later on.

• • •

More Zinc, Less Lead

"More zinc, less lead" will be theme of the U. S. Munitions Board in its stockpiling program for the year starting July 1, 1950.

Stockpile objectives for lead have been reduced and buying of this metal is being curtailed, starting July 1.

Purchases of zinc are to be continued by the stockpile authorities at the same rate. Although the Non-Ferrous Metals Advisory Committee, declared that the zinc supply is short, will be still tighter when present supplies of concentrates are used, and asked that purchases be spread so as not to have the effect of pushing the zinc price still higher, it was pointed out that stockpiling was for U. S. defense purposes. Both the President and Congress have demanded that stockpile requirements come before civilian needs.

• • •

"Magic Metal"

"Uranium — The Magic Metal" is the title of a new booklet published by Frame McFadyen & Co., members of the Toronto Stock Exchange, and sponsors of a number of leading uranium properties.

"If the world needs for thermal energy are to be supplied by atomic reaction, consumption of uranium per annum will be very substantial," the booklet declares. "Even if we assume that reactors making use of natural uranium are developed to the point of efficiency where the fuel need only be replaced over a period of many years, it has been estimated that some 17,000 tons of uranium would be required per annum to supply world thermal needs. Such a figure indicates a need for a substantially increased annual production."

"The atomic age is at hand if enough uranium can be located and developed to provide the necessary fuel," the study concludes.

• • •

Gaspé Copper

Pleasing results continue to be secured by Noranda Mines in diamond drill exploration of its big Gaspé Copper Mines property, President Oliver Hall of the latter company informs The Financial Post.

Reports that large-scale financing was imminent are apparently premature and it is likely to be a year before there is any important extension of plans.

Many other operators are getting active in the area. Miller Copper Mines is active, Buffalo Canadian Gold Mines has recently acquired a property and Conwest Exploration Co. plans work on a new property as well.

OSC Options

Details of mining and oil financing arrangements completed have been announced by the Ontario Securities Commission as follows:

ALWYN PORCUPINE MINES—Particulars of sale to the public through officers of the company on the basis of 75% of the proceeds going into the treasury. The company proposes offering 100,000 shares at 30c a share now with offerings from time to time at such prices as the directors may fix, having regard to the stage and results of development. Authorized capital 3.5 million shares of which 1,600,005 issued (1.2 million escrowed). Accepted for filing, June 8, 1950. Security Issuer's registration granted June 8, 1950, permitting V. F. Burda, S. C. Brownstein, J. M. Innes and K. M. Ostrander to sell.

ANSON PETROLEUMS—By agreement dated May 26, 1950, Melady, Sellers & Co. contracted and has since purchased the $750,000 5% debentures for $716,250 and 431,250 shares at 18c a share. Present offering is $750,000 5% debentures at par and 375,000 n.p.v. shares at 20c a share, in units of 500 common shares with each $1,000 in debentures. Authorized capital two million shares of which 431,255 issued. Accepted for filing June 8, 1950.

RESOLUTE OIL & GAS CO.—Payments under the option agreement with Goldwin Exploration Co., dated Sept. 26, 1941, extended as follows: payments due May 10, 1950, extended 60 days; due Aug. 10, 1950 and Nov. 10, 1950, extended 30 days. Accepted as amended filing, June 8, 1950.

CENTRAL SUDBURY LEAD-ZINC MINES — The agreement dated Feb. 15, 1949, subsequently amended, under which Robert Colucci and Michael Kabin received options on a million shares at 15c to 30c a share is in good standing and unchanged. The company also made available for subscription through a registered broker-dealer 200,000 shares at 50c a share; subscription and payment was received for 9,852 shares. Authorized capital 3.5 million shares of which 1,903,198 issued (1,048,500 escrowed). Accepted for annual refiling, June 9, 1950.

GENALTA PETROLEUMS — By agreement dated Feb. 10, 1950, E. M. McNiece received an option on 335,000 shares at 15c to 20c a share. Three previous option agreements, under which a total of 588,925 shares were taken down and paid for, have been terminated. Authorized capital three million shares of which 1,488,932 issued (785,000 escrowed). Accepted for filing, June 9, 1950.

TWO MACKS' LONG LAC GOLD MINES—Particulars of sale to the public through officers of the company on the basis of 75% of the proceeds going into the treasury. Security Issuer's registration granted June 9, 1950, permitting William Rice, A. H. MacIsaac and G. E. MacIsaac to sell. Authorized capital 3.5 million shares of which 1,200,005 issued (one million escrowed). Accepted for filing, June 9, 1950.

DEWSON MINES—Particulars of sale to the public through registered brokers on the basis of 75% of the proceeds going into the treasury. Intention is to offer 400,000 shares at 30c a share now. Authorized capital three million shares of which 1,500,005 issued (900,000 escrowed). Accepted for filing, June 10, 1950.

LA RONGE URANIUM MINES — By agreement dated May 1, 1950, James W. Ralston & Co. received an option on 1,299,-995 shares at 20c to $1 a share. Authorized capital three million shares of which 1,000,005 issued (900,000 escrowed). Accepted for refiling, June 10, 1950.

PROMISTORA GOLD MINES — By agreement dated July 15, 1949, Mindus Corp. agreed to purchase 75,000 shares at 10c a share and received an option on a further 1,425,000 shares at 10c to 35c a share. It also has advanced funds for incorporation and organization of the company, to be repaid by issue of treasury shares at 5c a share. These costs, including registration in the Province of British Columbia are estimated at approximately $3,500. Authorized capital three million shares of which 1,197,061 issued (900,000 escrowed). Accepted for filing, June 12, 1950.

SALMITA CONSOLIDATED MINES — By agreement dated June 1, 1950, Snare River Trading Co. agreed to purchase 250,000 shares at 20c a share and received an option on 1,050,000 shares at 25c to 50c a share. Accepted as amended filing, June 12, 1950.

BROADVIEW GOLD MINES—By agreement dated Apr. 29, 1950, the time to exercise options and make payments for shares under option, in the agreement dated Nov. 18, 1949, with Anglo-Northern Securities, was extended, in each instance, for six months. Accepted as amended filing, June 14, 1950.

LLOYDAL PETROLEUMS — By agreement dated Jan. 20, 1950, the option agreement with R. B. Stuart, covering 1.2 million shares, was amended by extending the time of all options not exercised to Jan. 20, 1950, for the full term of 90 days in each instance from the dates on which the options would otherwise respectively have been exercisable. Accepted as amended filing, June 14, 1950.

MURMAC LAKE ATHABASKA MINES —By agreement dated May 18, 1950, I. J. Isbell received an option on 1,350,000 shares at 7½c to 35c a share. Previous option agreement with J. A. Moore has been cancelled. Accepted as amended filing, June 14, 1950.

RIGBY KIRKLAND MINES—By agreement dated May 3, 1950, Cambridge Securities Corp. received an option on one million shares at 10c to 40c a share. Authorized capital 3.5 million shares of which 1,166,671 issued (1,050,000 escrowed). Accepted for filing, June 14, 1950.

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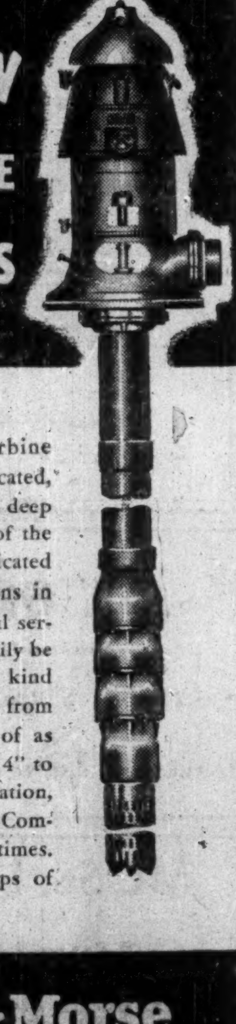

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Expect Score Of Golds To Go Underground On The Funds Furnished by Recent Flurry

By GORDON M. GRANT

Approximately a score of gold-mining operations have either been able to raise the necessary funds for underground work as a result of the recent flurry in gold prospects, or are expected to be able to make an announcement of underground plans very shortly.

Because many of the junior gold producers edged lower marketwise following promptly denied rumors of an imminent return of the Canadian dollar to par, interest in the gold-mining market is lagging a little for the moment. But numerous active gold properties — both in shaft and drilling stages — will likely provide a tonic of ore news for the months ahead.

Here are briefly the plans of the leaders in the "going underground" category —

AKAITCHO: Financing arranged for extension of a shaft to either 1,000 or 1,200 ft.; four or five levels proposed. Headframe being erected. Previous surface diamond drilling indicated 260,000 tons of ore with uncut grade of 0.65 oz., cut grade 0.48 oz., after 15% allowance for dilution.

QUEENSTON: Initial results from latest underground drilling and development program satisfactory; steps contemplated to place property in production with a 500-ton mill, and construction expected shortly.

Financing plans embrace raising of $1,275,000 with 400,000 shares remaining unissued in treasury.

LAKE WASA: Extension of Lake Wasa shaft to permit opening up of the 1,000-ft. horizon expected to be completed by end of June. This will signal a start on lateral work at both 800 and 1,000-ft. levels.

In view of sharply improved results previously experienced at depth both in lateral work and drilling, considerable interest attaches to depth results.

LADULAMA: Shaft at this company's property is expected to reach its objective of 750 ft. about July 1. Development of all four levels anticipated to show enough ore for mill of at least 200 to 300 tons capacity.

Finances provided through underwritings on 750,000 shares at 40c a share, and 750,000 at 60c which have placed $750,000 in treasury.

LAKE-OSU: With over $100,000 placed in treasury, Lake-Osu has lost no time in getting its underground program in full swing.

Crosscutting at 300-ft. level is now in progress; assays results from both the north and south ore shoots at this horizon should be available shortly. A drill hole ahead of the crosscut gave $53.07 over 4.3 ft. and $6.52 over 7.5 ft. in respective zones. The best surface hole — $38.50 over 13 ft. — was secured at a vertical depth of 355 ft. not far east of shaft.

BEVCOURT: Decision made to reopen recently following arrangements with Perron for treatment of 50,000 tons of ore in Perron mill at rate of 400 tons daily in four-month period commencing July 1.

Funds used will be those previously in treasury; but fact company has 800,000 unissued shares in treasury gave assurance further funds could be raised on market, if necessary.

OBASKA: A shaft is to be put down on this company's property in Louvicourt section with $150,000 assured through recent offering of rights.

Surface drilling indicated 149,000 tons averaging 0.187 oz. gold in one ore body; 38,700 tons averaging 0.201 oz. in a second. The shaft will be put down for either two or three levels.

SHAWKEY. A shaft is to be put down to depth of 1,000 ft. to test new No. 10 zone — 3,000 ft. from previous workings.

A total of $225,000 was expected to be on hand by time sinking started.

BEACON: This Lamaque subsidiary has completed a shaft on its No. 4 zone to a depth of over 400 ft.; some ore has been opened in initial underground work.

At 200-ft. level, 71 ft. has averaged $6.62 a ton. A total of 171 and 41 ft. of work on the 300 and 400-ft. levels had not shown ore at these horizons.

NORLARTIC: A company which outlined 600,000 tons of material averaging 0.17 oz. gold in previous operations, has recently completed is again proceeding with underground work on two levels.

Approximately $280,000 raised by financing program.

MARBENOR: A firm underwriting of $50,000 recently arranged by company with further $500,000 to be provided from options, if these exercised. Diamond drilling is being carried out at surface for further outlining of values prior to selection of shaft site. Best shoot in previous surface drilling showed length of 500 ft. averaging 1.45 oz. uncut (0.55 oz. cut) over average width of 3.6 ft.

WINDWARD: Announcement of a contract award for shaft sinking anticipated in not distant future. Company now conducting drilling campaign for determination of shaft location. Well over $100,000 available in company's treasury for proposed program.

CHIMO: A shaft expected to get under way shortly; company has had assurance of shaft finances. Surface drilling indicated a wide gold-bearing zone over 900 ft. long.

DUPORT: Mining plant now being reconditioned preparatory to renewed program of underground development. Exploration by Matachewan Consolidated has demonstrated gold values along surface length of 5,000 ft.

MYLAMAQUE: Announcement of $50,000 cash being placed in company's treasury made at recent annual meeting. A 250-ft. shaft sunk in previous operations and management expects to dewater this for further exploration program.

COURNOR: Underground development now being undertaken from underground workings of adjoining Perron mine. Last surface drilling indicated interesting new ore zone.

LAKE ROWAN: Mining plant now being installed at Red Lake property as preliminary to underground development. Encouraging ore-making conditions demonstrated in previous work.

NEW GOLDVUE: A depth development program embarked on by this company. To carry shaft down to 800 ft.; 500 level station cut recently.

Bulldog Yellowknife, New Thurbois and Angus Mines are other companies contemplating underground development and shaft decisions could develop at any time.

Negus Mines' Output $71,000 For May

A steady increase in production has been realized at Negus Mines since the beginning of the year with May output estimated at $71,000 in bullion, President Charles McCrea reports.

"Ore reserves above the 13th level, are sufficient to keep the mill in full operation until three new levels, developed from the internal shaft are ready for production," Mr. McCrea reports. "Additional ore possibilities in the footwall zone some 300 ft. east of the present ore zone are under current investigation."

The internal shaft sinking program has been completed and lateral development on two of the new levels is to be commenced. Late in the year, the shaft will be deepened 250 ft. to permit development of two more levels.

Possibilities of increasing mill capacity from 190 to 250 tons per day are now under consideration. Metallurgy of roasting is being solved but it is not likely that the roaster will be installed this year.

CALDER-BOUSQUET MINES reports that diamond drill hole No. 50-7, completed at 766 ft., intersected vein material in six places, with 2.5 ft. assaying 0.23 oz. gold per ton. This "proved eastward continuation of the vein zones found in No. 56, 100 ft. to the west." Hole No. 50-8 is now drilling at the same location as No. 59 but in a more westerly direction to try for an extension of vein material found in No. 59, which gave an assay of 0.53 oz. gold per ton, it is stated.

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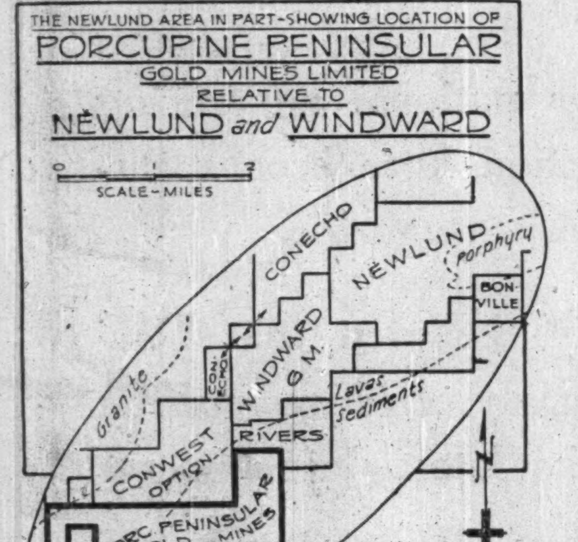
THE NEWLUND AREA IN PART—SHOWING LOCATION OF PORCUPINE PENINSULAR GOLD MINES LIMITED RELATIVE TO NEWLUND and WINDWARD



All maps are drawn from information believed to be reliable, but individual ownership and exact locations are not certified.—W. Langridge, Jr.

"A NEW GOLD FIELD IN THE MAKING"

We quote from an article published in The Globe and Mail of June 7th which should indicate to the mining public that NEWLUND MINES LIMITED is potentially one of Canada's future "big" mines.

". . . Commencing at a point 250 feet west of the main crosscut on the 200 level, an oreshoot . . . is approximately 400 feet long with an average width of 40 feet and open at the west end, where drifting is still in progress.

"At a point 730 feet east of the main crosscut on the 200 level, a crosscut has been commenced opposite a drill hole intersection that returned 0.26 ounce gold over 29 feet of core. The first round broke into heavy mineralization with some visible gold which persists to the present face 29 feet south of the drift . . ."

WINDWARD GOLD MINES LIMITED, to the west of and adjoining Newlund, is embarking on a diamond drilling program to further test good gold values already indicated, prior to a decision on shaft sinking.

Results on both Newlund and Windward emphasize the western trend of the favorable gold-bearing formations, and accentuate the geological location of PORCUPINE PENINSULAR GOLD MINES LIMITED, which has an ambitious exploration program in the making. Company—Owns 2,231 acres, Cody and Macklem twps., Night Hawk Lake section, Porcupine area, Ont., including 456 acres under Night Hawk Lake acquired in Nov., 1945.

C. C. FIELDS & CO.
Members: The Toronto Stock Exchange
200 Bay Street, Toronto, Ontario
WAverley 4731

B. A. Oil - Shell Oil Well Pay Zone Now 70 Ft. Thick

Immense interest has been stirred by the discovery of oil by British American Oil and Shell Oil in their joint Whitelaw No. 1 well.

Thickness of "pay" zone—oil productive formation—is now officially reported at 70 ft., 10 ft. thicker than earlier reports.

Setting of casing and other work preparatory to going down through the Madison and Devonian is expected to delay any further drilling news until early next week.

Because it represents a discovery by a new group and the discovery lies 350 miles northwest of Edmonton in the Peace River country, the well is considered of exceptional significance even though its initial oil is relatively low grade: about a cross between a thick Lloydminster crude and a Redwater crude.

A pay zone thickness of about 70 ft. has been established in what is above 3,905 ft. in a Permian-Pennsylvanian formation lying immediately above the Madison formation which starts at about 4,300 ft.

Productive potential from present pay zones is estimated at 640 bbls. daily of a 26 degree crude.

With the Madison still to test and also the Devonian below that again, there is a strong hope that a higher grade of crude will be discovered more comparable to the grade of the Normandville crude found in the Devonian at about 6,700 ft. depth some 33 miles to the southeast.

British American Oil and Shell Oil of Canada share a block of 200,000 acres, plan to continue their test to the granite "basement."

The discovery lies only three miles from railway and shipment of crude by rail to the B. A. Oil refinery at Edmonton would be quite feasible. Rather surprisingly, the Peace River oil lies only about 400 miles from the Pacific Coast as against 350 miles to Edmonton. This could possibly be important when marketing plans for Peace River crude are formulated.

Goldfields Uncovers Radio-Active Showings

Goldfields Uranium Mines reports that work completed in the break-up period on its Concession SS has uncovered "two important radio-active showings."

The first, on which scintillometer readings of up to 2,500 counts per second are reported, is northwest of the Nesbitt Lake showing, in a well-mineralized pyritic shear containing considerable quartz. The other is in a northerly striking shear zone, 1,700 ft. north of Nesbitt Lake, and can be followed for about 200 ft., it is stated.

Other finds are reported, some showing good Geiger Counter reactions and some containing uranium stain. A recent report states that a discovery of pitchblende has been made on the FF concession

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HOYLE MINING CO. confined its 1949 activities to small participations in "properties considered to be of merit" and to reducing bank loan (to $118,632 at Dec. 31, 1949); the mine at Porcupine was closed down in January, 1949. The three subsidiaries, Ontario Pyrites Ltd., Opemiska Copper (Quebec) Ltd. and South Porcupine Mines were inactive. Policy in the immediate future, states President J. M. Cunningham-Dunlop, is to reduce loans and build up working capital.

Around the Home . . .

Carrying out a good idea will not necessarily add beauty to the appearance of your property. The result depends entirely upon the use made of the idea. This fact was clearly driven home to me on a recent trip through the Niagara peninsula. I have seen old wheels used to good advantage about a home but this particular fellow had gone overboard. Buggy wheels had been buried hub deep and used for a fence on three sides of the property. Two heavier ones formed a gate; another reclined on the top of the grape arbour—and so on. On the other hand, there is nothing quite as rustic and pleasing as an old wheel when it is properly blended into the landscape.

Binder Wheels

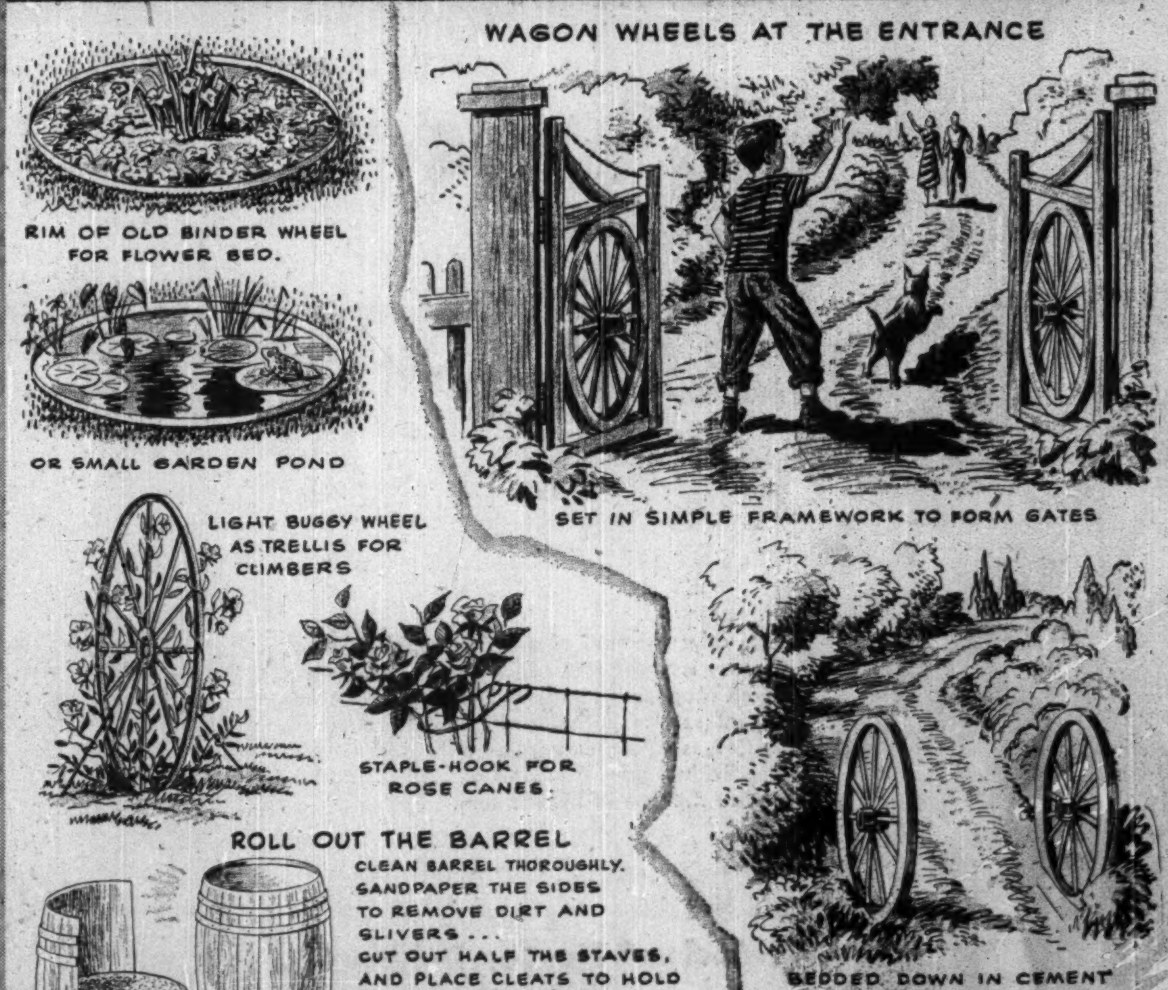
Home on the farm my mother used a large drive wheel from the old binder as a flower bed. After it had completed its service in the grain field, the hub and spokes were knocked out. The steel rim held the rich earth added to make an attractive bed for the petunias. The same type of wheel can be used to make a small garden pool.

Roll Out The Barrel

Yesterday was spent visiting a good friend who is an ardent gardener. I found him spraying his rambler roses so we retired to the shaded terrace for a friendly discussion of the new garden sprays coming on the market. I was so intrigued by the barrel chairs he had recently made that insects and insecticides slipped completely from my mind. They were easily constructed and the idea is passed along to you.

Rose Canes

Just before leaving we did get back to the subject of roses and I discovered how he made such a neat job of fastening up the canes of his climbers. Fairly heavy pieces of wire (about eight inches long) were bent into the shape of large staples. The ends of the staple prongs were then bent downward, forming a hook. The staple portion was slipped around the cane and then the two hooks caught over a slat in his lattice fence—so simple, but effective. Never more will there be difficulty in lowering my canes for winter protection.



More information on these and many other ideas in the booklet "AROUND THE HOME". Write for your copy to Tom Gard, c/o MOLSON'S (Ontario) LIMITED, P.O. Box 490, Adelaide St. Station, Toronto.

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This International Harvester advertisement appeared as a four-color, full-page ad in Maclean's, February 1, 1950. 54% of the men who read the issue recalled seeing this advertisement, according to Starch Magazine Readership Service.

says A. L. Elliott,
Vice-President in charge of sales,
International Harvester Co. of Canada, Ltd.

"Since 1923 our national advertising campaigns in Canada have been spearheaded in Maclean's Magazine.

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"The Starch reports on the readership of our advertising in Maclean's are concrete proof that we were right."

Every advertisement of a quarter page or more in every issue of Maclean's is now checked by Starch Magazine Readership Service. This important service, introduced into Canada early in 1949, is valuable in gauging the effectiveness of individual advertisements as well as indicating the strength of the medium.

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